


January-March, 1957

Vol. III, No. 1



# THE INDIAN JOURNAL OF PUBLIC ADMINISTRATION

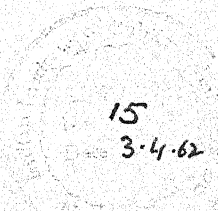
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## PRINCIPAL CONTENTS

<b>Election Administration in the United States</b>	<i>Marguerite J. Fisher</i>
<b>The Public Sector in India</b>	<i>P.S. Lokanathan</i>
<b>Further Thoughts on Co-ordination</b>	<i>P.R. Dubhashi</i>
<b>Human Relations in Industry</b>	<i>B.N. Datar</i>
<b>Panchayats and District Development Administration</b>	<i>P.C. Suri</i>
<b>The Reorganization of the Nasik Collectorate</b>	<i>M.R. Yardi</i>
<b>The Development of State Tubewells</b>	<i>S.T. Raja</i>

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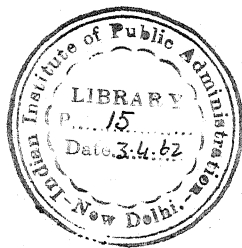
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# THE INDIAN JOURNAL OF PUBLIC ADMINISTRATION

Vol. III (1957)

## AUTHOR INDEX

- Agarwal, P.P. The Planning Commission, 333-45.
- Appleby, Paul H. Morale at Sub-ordinate Levels, 97-98.
- Banerjee, A.C. Assessing Clerical Man-Power in Government Offices, 246-52.
- Bradley, Phillips. Inter-Governmental Relations in the United States, 371-81.
- ✓ Chandrakant, L.S. Management Studies and Training, 135-42.
- Dass, K.K. Organising a Re-organisation Unit, 210-14.
- Datar, B.N. Human Relations in Industry, 22-28.
- Deshmukh, C.D. Problems of University Administration, 320-32.
- ✓ Dubhashi, P.R. Further Thoughts on Co-ordination, 16-21.
- Fisher, Marguerite J. Election Administration in the United States, 1-8.
- ✓ Gadgil, N.V. The Government and the Party, 346-56.
- Indarjit Singh *see* Singh, Indarjit.
- ✓ Karve, D.G. Some Reflections on the T.V.A., 99-103.
- ✓ Karve, D.G. The United States Civil Service Commission, 206-9.
- Krishnaswamy, K.S. Vigyan Bhavan—A study in Administrative Organisation, 226-32.
- Lall, Sohan. Selection of Officers for the Armed Forces, 125-34.
- Lokanathan, P.S. The Public Sector in India, 9-15.
- Mazumdar, D.L. Social and Economic Implications of the Companies Act 1956, 215-25.
- Patel, H.M. Expanding Government, 303-19.
- Patel, H.M. The Role of Private Sector in Indian Economy, 191-205.
- Raja, S.T. The Development of State Tubewells, 53-60.
- Ramamurti, B. Statistics and Plan Administration, 143-51.
- Rao, P. Prabhakar, and Suri, P.C. The Administrative personnel in India, 233-45.
- ✓ Recruitment and Training for Public Services (Seminar Papers), 152-63.
- Sharma, M.P. Recent Experiments in Local Self-Government in India, 104-11.
- Singh, Indarjit. Reorganising the Indian Income-Tax Department (II) 112-24.
- Sohan Lall *see* Lall, Sohan.
- Srivastava, Anand K. Geographical Distribution of Personnel in the United Nations, 357-70.
- Suri, P.C. Panchayats and District Development Administration, 29-41.
- Yardi, M.R. The Reorganisation of the Nasik Collectorate, 42-52.

## TITLE AND SUBJECT INDEX

(Asterisk indicates title of the Article)

Administrative Management—Study & Teaching, 135-42.

Administrative Organisation—India, 16-21, 226-32.

\*The Administrative Personnel in India, 233-45.

Administrative Reorganisation, 112-24, 210-14.

Administrative Reorganisation—District Administration—India, 42-52.

Administrative Staff College, Hyderabad, 140.

Anchal Sasan Scheme—Orissa, 108-11.

Armed Forces (*India*), Selection of Officers for the, 125-34.

\*Assessing Clerical Man-Power in Government Offices, 246-52.

Business Administration—Study and Teaching, 135-42.

Civil Service—India, 233-45.

Civil Service—Recruiting—India, 152-63.

Civil Service Commissions—U.S.A., 206-9.

Collectorates—India, 42-52.

Colleges and Universities—India, 320-32.

Community Development—India, 29-41.

Companies Act, 1956 (*India*), Social and Economic Implications of the, 215-25.

Co-ordination, Further Thoughts on, 16-21.

Corporation Law—India, 215-25.

\*The Development of State Tubewells, 53-60.

District Administration—India, 42-52.

District Development Administration, Panchayats and, 29-41.

—Economic Planning—India, 16-21, 143-51, 333-45.

\*Election Administration in the United States, 1-8.

✓Employee Morale, 97-98.

\*Expanding Government, 303-19.

Federal-State Relations—U.S.A., 371-81.

\*Further Thoughts on Co-ordination, 16-21.

\*Geographical Distribution of Personnel in the United Nations, 357-70.

Government and Business—India, 191-205.

\*Government and the Party, 346-56.  
Government Corporations—U.S.A., 99-103.

Government Enterprise—India, 9-15.

Government Offices, Assessing Clerical Man-Power in, 246-52.

\*Human Relations in Industry, 22-28.  
Income-Tax Dept.—India, 112-24,  
India

Administrative Staff College, Hyderabad, 140.

Armed Forces—Recruiting, 125-34.

Board of Management Studies, 138.

Civil Service, 152-63, 233-45.

Companies Act, 1956, 215-25.

Economic Planning, 16-21, 143-51, 333-51.

Government, 303-19.

Government and Business, 191-205.

Income-Tax Dept., 112-24.

National Organisation for Management, 141.

Personnel, Public, 97-98, 152-63, 233-345, 246-52.

—Planning Commission, 333-45.

Industry, Human Relations in, 22-28.

\*Inter-Governmental Relations in the United States, 371-81.

Irrigation, Minor—India, 53-60.

Janapada Scheme—Madhya Pradesh, 104-7.

Job Analysis, 246-52.

Labour Relations, 22-28.

Local Government—India, 29-41, 104-11.

Local Government, *see also* Village Panchayats.

- \*Management Studies and Training, 135-42.
- \*Morale at Subordinate Levels, 97-98.
- Nasik Collectorate, Reorganisation of, 42-52.
- Organisation and Methods, 112-24, 246-52.
- \*Organising a Re-organisation Unit, 210-14.
- \*Panchayats and District Development Administration, 29-41.
- The Party and the Government, 346-56.
- Personnel, International, 357-70.
- Personnel, Public—Classification—India, 246-52.
- Personnel, Public—Employee Relations—India, 97-98.
- Personnel, Public—India, 233-95.
- Personnel, Public—Recruiting—India, 152-63.
- Plan Administration, Statistics and, 143-51.
- \*The Planning Commission, 333-35.
- Political Parties—India, 346-56.
- Private Sector, Role in Indian Economy, 191-205.
- \*Problems of University Administration, 320-32.
- Public Administration—India, 16-21, 42-52, 303-19, 389-99.
- \*The Public Sector in India, 9-15.
- Public Services, Recruitment and Training for, 152-63.
- \*Recent Experiments in Local Self-Government in India, 104-11.
- \*Recruitment and Training for Public Services, 152-63.
- \*The Reorganisation of the Nasik Collectorate, 42-52.
- Re-organisation Unit, Organising a, 210-14.
- \*Re-organising the Indian Income-Tax Department (II), 112-24.
- \*The Role of Private Sector in Indian Economy, 191-205.
- \*Selection of Officers for the Armed Forces, 125-34.
- \*Social and Economic Implications of the Companies Act, 1956, 215-25.
- \*Some Reflections on the T.V.A., 99-103.
- \*Statistics and Plan Administration, 143-51.
- T.V.A., Some Reflections on the, 99-103.
- Training, Management Studies and, 135-42.
- Tubewells, Development of (*India*), 53-60.
- United Nations, Geographical Distribution of Personnel in the, 357-70.
- \*The U.S. Civil Service Commission, 206-9.
- United States, Election Administration in the, 1-8.
- United States, Inter-Governmental Relations in the, 371-81.
- University Administration, Problems of, 320-32.
- \*Vigyan Bhavan—A Study in Administrative Organisation, 226-32.
- Village Panchayats, 29-41.
- Village Panchayats, *see also* Local Government.

## INDEX TO BOOKS REVIEWED

- Barnett, H.G. *Anthropology in Administration*, 292-94.  
Rev. N. Datta-Majumdar.
- Bridges, Edward *and others*. *The Making of an Administrator* (Ed. by A. Dunshire), 181-83.  
Rev. Y.N. Sukthankar.
- Burkhead, Jessee. *Government Budgeting*, 294-96.  
Rev. M.S. Ramayyar.
- Dunnill, Frank. *The Civil Service—some human aspects*, 91-93.  
Rev. P. Prabhakar Rao.
- Emmerson, Sir Harold. *The Ministry of Works*, 83-85.  
Rev. S. Ranganathan.
- Francis, Roy C. *and* Stone, Robert C. *Service and Procedure in Bureaucracy*, 420-21.  
Rev. D.G. Karve.

Gladden, E.N. Civil Service or Bureau-  
cracy ?

Rev. V.K.N. Menon.

Kogekar, S.V. and Park, Richard L.  
*Eds.* Reports on the Indian General  
Elections 1951-52, 185-87.

Rev. Marguerite J. Fisher.

Loveday, A. Reflections on International  
Administration, 290-92.

Rev. S. Lall.

MacNeil, Neil. *and* Metz, Harold W.  
The Hoover Report 1953-55, 87-90.

Rev. Indarjit Singh.

Morris-Jones, W.H. Parliament in  
India, 422-23.

Rev. N.K. Bhojwani.

Morrison, Herbert *and others.* Vitality  
in Administration, 296-98.

Rev. K.N. Butani.

Richards, Peter G. Delegation in  
Local Government, 183-85.

Rev. A.D. Pandit.

R.I.P.A. Study Group. New Sources  
of Local Revenue, 90-91.

Rev. M.P. Sharma.

Smithies, Arthur *and others.* Economics  
and Public Policy, 85.

Rev. Tarlok Singh.

Solo, Robert A. *Ed.* Economics and  
the Public Interest, 85-87.

Rev. Tarlok Singh.

Urwick, L.F. The Pattern of Manage-  
ment, 423-25.

Rev. L.S. Chandrakant.

### MISCELLANEOUS

Digest of Reports, 69, 173, 262, 406.

Editorial Notes, 61, 164, 253, 388.

Institute News, 67, 171, 260, 403.

News from India and Abroad, 62, 165,  
254, 400.

Recent Trends in Public Administration  
in India, 389.

Selected Government Publications, 94,  
188, 300, 426.

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Edited and Published by Shri S. B. Bapat for the Indian Institute  
of Public Administration, New Delhi.

Printed at the New India Press, Connaught Circus,  
New Delhi.



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## C O N T E N T S

	<i>Page</i>
Election Administration in the United States	<i>Marguerite J. Fisher</i> 1
The Public Sector in India	<i>P.S. Lokanathan</i> 9
Further Thoughts on Co-ordination	<i>P.R. Dubhashi</i> 16
Human Relations in Industry	<i>B.N. Datar</i> 22
Panchayats and District Development Administration	<i>P.C. Suri</i> 29
The Reorganization of the Nasik Collectorate	<i>M.R. Yardi</i> 42
The Development of State Tubewells	<i>S.T. Raja</i> 53
Editorial Notes	61
News from India and Abroad	62
Institute News	67
Digest of Reports	
Uttar Pradesh. Report on Reorganization of Collectorates	69
Estimates Committee	
38th Report (Ministry of Community Development (C.P.A.) Part I)	73
39th Report (Ministry of Defence— Bharat Electronics (Private) Ltd.)	75
41st Report (Ministry of Communi- cations—Air Corporations)	78
43rd Report (Ministry of Communi- cations—Indian Airlines Corporation)	80

( Please turn over )

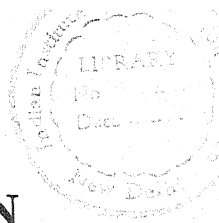
## Book Reviews

<i>The Ministry of Works</i> (Sir Harold Emmerson)	<i>S. Ranganathan</i>	83
<i>Economics and Public Policy—Brookings Lectures 1954</i> (Arthur Smithies etc.)	<i>Tarlok Singh</i>	85
<i>Economics and the Public Interest</i> (Ed. Robert A. Solo)		
<i>The Hoover Report 1953-55</i> (Neil MacNeil and Harold W. Metz)	<i>Indarjit Singh</i>	87
<i>New Sources of Local Revenue</i> (Report of a Study Group of the R.I.P.A.)	<i>M.P. Sharma</i>	90
<i>The Civil Service—Some Human Aspects</i> (Frank Dunnill)	<i>P. Prabhakar Rao</i>	91
Selected Government Publications		94

# THE INDIAN JOURNAL

## OF

# PUBLIC ADMINISTRATION



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Vol. III

January-March 1957

No. 1

---

## ELECTION ADMINISTRATION IN THE UNITED STATES

*Marguerite J. Fisher*

**I**N contrast with India, the regulation of elections in the United States is left to the 48 state governments. The states, in general, have allowed the administration of registration, primaries and elections to remain in the hands of local officials, chiefly those of the city or county.

Under the American constitutional system, the right to decide who shall vote belongs to the states. With the exception of the 15th and 19th amendments to the federal Constitution, which prohibit the denial of the suffrage on account of race, colour or sex, the state governments may impose whatever qualifications they desire on the right of suffrage. All the states now impose the following requirements : citizenship; a minimum period of residence in the state and the local election district; and a minimum age of 21 years (except in Georgia where the requirement has been lowered to 18 years). The states deny the right to vote to paupers, the insane, idiots, inmates of penal institutions, and persons who have been convicted of certain crimes, the list of such crimes varying from state to state. Two additional requirements imposed by some of the states are (1) evidence of literacy, and (2) payment of a poll tax. Finally, the prospective voter must be registered before he is allowed to vote.

### The Election Officials

Whether the elections are for federal, state or local office, the administration of elections is by local authorities. Usually there is a city or county agency known as the board of elections. This board commonly consists of an equal number of members from each of the two major parties. It is the task of this board of elections to divide the community into election districts or precincts, to arrange for polling

places, to appoint the election officials who serve at the polling places in each precinct, to procure election supplies and equipment, and to distribute them to the polling places. The same precinct election officials usually preside at the polling places on three occasions each year—on registration days, on primary day when the candidates are nominated, and on election day. The number of precinct election officials varies from state to state, a bi-partisan board of two Republicans and two Democrats being common. These election officials, or election inspectors as they are commonly termed, are usually appointed by the local board of elections or by the local legislative body of the city or county. Often, the chairmen of the Republican and Democratic county committees submit names for each election district or precinct, and the appointments are made from these lists. The inspectors are paid between 5 and 20 dollars a day for their work.

These election inspectors have a key position in the administration of the election laws. No matter how well-designed an election law, it will amount to little in practice if the election inspectors are ignorant or open to corruption. The naive citizen might assume that honest elections are guaranteed by the bi-partisan membership of the precinct election board. But the legal requirement that precinct election boards should consist of representatives from both the major parties has at times proved no real obstacle to fraudulent practices. In cities or counties where one party dominates the local community, some times there is collusion between Republican and Democratic inspectors. If, for example, the Democrats are the dominant party, they may see to it that Republican election inspectors are appointed who will either close their eyes to what goes on, or else be glad to collaborate. If an inspector turns out to be obstinate, he may be influenced by the promise of a job or a favour of some sort.

over. The local precinct election officials have so important a role that they should be persons of the highest calibre. But it is difficult in the average American city or county to find competent persons, free from political obligations, who will serve six or seven days a year at the primary, registration and election. In many states the law requires that the election inspectors must be residents of the precincts in which they serve, a stipulation which increases the difficulty of finding competent persons. Most of the capable and intelligent male residents of an election district are likely to have full-time occupations or professions and therefore are not available. The kind of man who is available, and anxious to get the money for a few days work each year, is likely to be a political job-holder, or an unemployed or incompetent person who is unable to hold a regular full-time job.



This problem has been largely solved in recent years, however, by women suffrage. Well qualified and honest housewives are glad to earn the extra money for a few days' work, whereas their husbands would not be interested. The housewives are happy to have the opportunity to get out of their homes, and to sit in the polling places and greet their neighbours while their husbands are away at their offices or business. Housewives of intelligence are available and often anxious to get such jobs, and this would not be true of men of the same level of ability and honesty. Observers of American politics have commented on the domestic atmosphere which the women have brought to the polling places. It is a common experience in the United States to find a polling place administered by middle-class housewives, sitting around the table and knitting or talking about their families. The writer once had the experience of conducting two European professors on a visit to the local polling places on election day. Both the German and the Italian were astonished by what they saw. But what was it that amazed them—that they had never seen in Europe? "Two things: women election officials running the polling places, and voters voting by machines".

The state laws insist on various requirements for local election inspectors, such as the ability to speak, read and write English. They are also required to have a knowledge of the election law of their state.

In an effort to select election officials of a higher type in the city of Detroit a few years ago, public spirited citizens were persuaded by civic organisations to serve in this office without remuneration, as a gesture of good citizenship. The Superintendent of the Detroit Election Commission described the experiment as follows :—

"There are times when there is a very spirited contest so that citizens of considerable prominence in the industrial and financial life of Detroit volunteer for the work from the standpoint of doing their bit towards good citizenship, and along that line presidents and other officers of banks, industrial and commercial institutions help to maintain clean elections. The majority of the election inspectors are bank clerks and people who are doing some branch of accounting or clerical work in some of our large industries. The bankers and manufacturers' associations have assisted wonderfully in placing many of their men at the disposal of the Commission on election days, allowing the men to take the day off with pay."\*

\*Quoted in Charles E. Merriam and Harold F. Gosnell, *The American Party System*, p. 400, 1940, New York, Macmillan.

## **The Polling Places**

In each precinct or election district, which generally includes from 300 to 600 potential voters, there is a polling place where the voter casts his vote. In a number of states the law requires that public buildings such as schools or fire stations be used as polling places, wherever they are available. If no public buildings are available quarters are rented from private property owners. In residential areas private garages are often rented for polling places. The city or county board of elections generally rents the polling places from faithful party followers. In fact, the rent for such quarters on primary, registration and election days is one of the petty favours which the party organisation dispenses to build up its following in the election precincts.

In some communities, instead of renting quarters from private property owners, the city or county government uses temporary or movable structures which are placed at street corners on election day. In some sections of California and Florida, where the weather is warm, tents are employed for this purpose. In colder climates, however, it is the custom to use public buildings or to rent private quarters which are heated for cold November election days.

In small cities or rural areas, where the population is not large enough to necessitate dividing the community into precincts, there is one central polling place. All the voters in a town, township, village or small city vote in one polling place, which is generally located in some public building such as the town hall or county court-house.

## **Voting Machines**

Over half the 48 American states now authorise the use of voting machines. In New York paper ballots have been completely supplanted by the voting machine, for all elections except the primaries.

To the voter who is accustomed to paper ballots, the machine may appear formidable. Its operation is simple, however. The ballot appears on the face of the machine. Instead of making a cross mark, the voter pulls a small lever located above each name. If there is only one candidate to be named for an office, an interlocking device makes it impossible to vote for more than one person, thereby preventing the voter from voiding his ballot. If the voter changes his mind after he has pulled down the lever, he can push it back and make another choice. When the voter pulls the handle to draw the curtains aside as he leaves the booth, the machine automatically records the vote and the lever springs back to place. The machine counts automatically

as each vote is cast, and the total is shown by the counting compartment as soon as the polls close.

There are many advantages to the voting machine. The fact that professional politicians have made such a bitter fight against its adoption is reasonably good evidence that it diminishes the opportunities for fraud in elections. The machines do not eliminate fraud, as they may be tampered with before the polls open, and false totals may be read off at the end of the day. Persons not legally entitled to vote can use a voting machine as easily as a paper ballot. Yet it is much harder to tamper with a voting machine than with paper ballots. The machine avoids the mistakes which are inevitable when tired election boards struggle with the counting of paper ballots. There is greater secrecy for the voter, since his ballot cannot be marked for identification purposes. The machine prevents him from casting a void ballot through an improper cross mark, or by voting for two candidates for the same office. It usually takes less time to vote when a machine is used. The results are known within a few minutes after the polls close, thus avoiding the delay and inaccuracies involved in the counting of paper ballots.

With all these obvious advantages, why have the voting machines not been adopted to a greater extent? For one thing, there has been the opposition of political party-organisation. Boss Hague succeeded in blocking their adoption in Jersey City for many years. The machines are expensive, costing from \$ 1200 to \$ 2000 each, and this factor has deterred smaller communities. Since it is a comparatively new device, there have been improvements and new inventions added, leading to the early obsolescence of existing machines. Still another reason has been the distrust exhibited by some voters who are overawed by the complicated appearance of the voting machine and hesitate to go to the polls when it is first adopted in their community.

### **Casting the Ballots**

At the polling place the election inspectors divide the various tasks, one person taking charge of the ballots or voting machines, another checking the names on the registration book, and so on. The polls are commonly open from six in the morning until seven in the evening, although the hours vary from state to state. In many states employed persons are legally entitled to two hours off on election day, without loss of pay, so that they may have an opportunity to vote. The state laws require sample ballots and voting instructions to be posted on the wall of the polling place. The voter must sign his name, and the election inspectors compare the signature with the one entered in the registration book.

The election inspectors in each precinct polling place have the right to challenge any applicant's claim to vote. The challenged person is required to answer under oath a list of questions regarding his identity. Generally, persons who are attempting to vote fraudulently will quietly disappear when they are confronted with a challenge affidavit. Each party represented in the election and sometimes the individual candidates are entitled to have private "watchers" or "challengers" present at the polls throughout the day. The watchers have the right to inspect all records and to challenge any prospective voters.

If the watchers and challengers are to be effective, they must be familiar with the details of the election law. They are there in the interests of their party, to see that the election is honestly conducted and that their party is not discriminated against or deprived of any of its votes. Well-intentioned but inexperienced watchers may be tricked by astute party workers. In one case, for example, a watcher was sent around the corner to buy ice cream for the group, to get him out of the way at a critical moment. At other times during the day when the workers from the rival party wished to distract the watcher's attention, they called him over to one side of the room to offer him food, to hear a joke, and so on. He never suspected that he was being tricked.

In some communities civic organizations or reform groups have persuaded their members to serve as watchers for a minority party or an independent candidate represented on the ballot. In some cases such projects have proved effective in reducing election law violations. In one community a joint project of this kind was undertaken by a women's club and a group of alumni from a men's college. The project was given good advance publicity in the newspapers, and the watchers were rehearsed in both the details of the election law and the devices commonly utilized to evade the law. The experiment proved so successful the first time that it was repeated in the following years, thereby bringing about the fairest elections the community had had for many a decade.

### **Election Law Violations in Balloting**

In most communities election law violations are confined to certain districts, chiefly the crowded and underprivileged urban precincts where the party machines are strongest. In the majority of election districts it is probable that the law will be honestly administered by honest election officials. In an average community an observer might spend the whole of election day visiting polling places, without witnessing any chicanery. The large cities, such as New York, Chicago and

Philadelphia have furnished the most extensive evidence of fraud in the administration of the election laws.

The booth in which the voter marks his ballot is supposed to be private. No one is allowed by law to enter it, except prospective voters or election inspectors who assist disabled voters. This part of the election law is violated by various types of chicanery. There may be a hole torn in the curtain across the front of the booth, to make it convenient for party workers to see how the voter is marking his ballot. There may be a knothole in the ceiling above the booth, through which the voter may be scrutinized. A mirror hung near the ceiling above the booth may reveal what the voter is doing. If a voting machine is used, someone may stand with ear glued to the booth, listening to the "click" as the voter pulls down the levers on the machine. A rapid series of clicks will indicate a straight party ticket, and slower, more hesitant clicks will show that the voter is splitting his ticket.

The process of voting may be deliberately slowed down by certain voters, or by the election inspectors, so as to lengthen waiting lines and thus send would-be voters home in discouragement. The ones who get tired and go home are not the party machine followers. The room may be crowded with 'spectators' and others not waiting to vote, and in the confusion of a crowded room it will be easier to violate the law without attracting attention. The election law commonly states that party committeemen and other workers may not electioneer or distribute written material within a hundred feet of the polling place. This provision is sometimes violated, and the committeeman may buttonhole the voter and pour arguments and instructions into his ears up to the moment the latter steps inside the curtained booth.

### **Counting the Ballots**

The local election inspectors in each precinct polling place count the ballots as soon as the polls close. If a voting machine is used, only a moment is needed to unlock the counter compartment and read off the total. With paper ballots the process of counting is a lengthy and arduous one, taking as long as eight to ten hours in some cases. The election inspectors have served all day long, yet there may be hours of counting ballots, far into the night, ahead of them. They are bound to make mistakes as they succumb to fatigue. To meet this problem some state laws provide for double election boards, the second board beginning its task of counting the ballots in a nearby room, shortly after the polls open.

When paper ballots are used it may be difficult to decide whether a ballot is valid or invalid. The law may be specific about how a legal ballot must be marked, stating that the voter must put a cross mark opposite the name of the candidate of his choice. But suppose the cross mark is not clear, should the ballot then be thrown out as invalid? This is the kind of question confronting the perplexed election officials who must examine and count hundreds of ballots.

If a candidate or private citizen has reason to suspect that fraud occurred in the counting of the ballots, he may apply to the courts, which have the authority to order a *re-count*. If voting machines are used, a re-count merely involves checking the machines and their totals.

### The Administration of Literacy Tests

Over half the American states now have laws requiring literacy tests for prospective voters. These literacy tests are administered by local election officials, either the county or city board of elections during the year, or by the precinct election inspectors at the polling places on registration days.

In some states the literacy laws require that the prospective voter should be able to read and interpret the state constitution. In other states the voter must be able to read and write a specified number of words. The New York literacy law, which is considered one of the best, requires the voter, when he registers, to : (1) present a school certificate showing that he has completed at least the eighth grade in a school in which English is the language of instruction, or (2) pass the literacy test which is given in certain public schools during the registration period. A superior feature of the New York law is that it entrusts the application of the test to school officials rather than to election officials.

In some communities, civic organizations have sent representatives to be present when the literacy tests were given, with the intention of checking on the honesty and fairness of the procedure. Where abuses exist, civic groups have done much to insure better administration of the law.

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## THE PUBLIC SECTOR IN INDIA

*P. S. Lokanathan*

**T**HERE has been a great deal of emotional and doctrinal approach towards the question of public enterprises in India and the role of the public sector in the economic development of the country. Actually public and private enterprises are not to be regarded as two completely divided and water-tight compartments or sectors, but rather they together serve a common end. The distinction between the two is supposed to be based upon ideology. It is often pointed out in contrast that motivation in public and private enterprise is very different : that private enterprise is animated purely by considerations of profit, while social purpose and welfare are supposed to be the dominant motives of public enterprise. This distinction is at best partial and may be in some context highly misleading. It is not true that private enterprise can completely ignore social and democratic considerations. Indeed as time goes on, it is as much guided by broad social purpose as any national activity. On the other hand, public enterprise cannot altogether ignore considerations of profit nor can it fail to pay regard to questions of cost, efficiency and economy. Therefore, as time goes on, the difference between public and private enterprise ceases to have that clear-cut and fundamental distinction which is often sought to be made. In fact, in socialistic countries, public enterprises are definitely operated on the basis of maximum profits. They become the sources of finance for further economic development.

The fact that an enterprise is run by the State does not by itself provide any guarantee that labour or the public may not be exploited. In communist societies, what goes to labour, how much is set aside for further expansion, how much should go to consumption, is all determined by the State in which neither the worker nor the citizen has much say. It would, therefore, appear that the more significant question is whether the country's economic policies and methods are determined by democratic principles and institutions and not so much whether the emphasis is on the public or the private sector. The criticism again that the profit motive is an unsocial element is a half-truth. It is not profits as such that are wrong. It is the way in which profits are appropriated that is socially significant. After all, profits are, in a business, an indication and measure of efficiency; they are also a reflection of the state of public demand.

The criticism usually levelled against public enterprises, that if they fail there is a waste of public resources whereas the incidence of loss in case of private enterprise is wholly on the entrepreneur, has not much validity in the context of planned economy. Both equally constitute a misuse of resources; for from the social standpoint there is no difference whether resources are wasted through failure of a public enterprise or through mismanagement of the private entrepreneur. In both cases, there is a social loss. Again, a very common argument against the expansion of the public sector is that public enterprises do not command sufficient technical or administrative personnel. This is not a valid argument, because where there is an absolute scarcity of administrative, technical and engineering personnel, it matters little whether it is public enterprise that lacks them or private enterprise. The problem can only be met (a) by the training of administrative, managerial and technical personnel and/or (b) by reducing the total magnitude of the development programme.

The doctrinaire approach to the question of the area of the public sector is not only unprofitable, but has not been the main element in the expansion of the public sector in the countries of the ECAFE region. With the possible exception of Burma and more recently of India, considerations of economic philosophy have not been the major determinant in the growth of the public sector. In many countries, like Indonesia, Ceylon, Pakistan, Thailand and Philippines, it is the lack of entrepreneurship and the high costs of establishing new industries that have led to the intervention of the State in industrial development. Even in India where there has been socialist motivation to some extent, the present expansion of the public sector can be justified on entirely economic and rational grounds.

With the need for accelerated economic development in the country and the equally important need to secure rising living standards, the expansion of the public sector in the heavy metallurgical, electrical and chemical industries is not only justified, but is indispensable. There is little hope of the private sector entering these fields which require the locking up of enormous liquid resources and large scale personnel management altogether beyond the capacity of the private sector as it obtains in the ECAFE region. It is true that one of the reasons for India's expansion of the public sector is the desire to reduce the concentration of economic power which would become more serious if the private sector were permitted to enter these new fields. But even if this motive were absent, there could be no hope of the private sector fulfilling the additional responsibilities.

Even in the most advanced countries like the U.S.A., the amount of public investment has been increasing. From the point of view of



the development of private enterprise it would appear that there should be the minimum of public enterprise and the maximum development of economic and social overheads. Indeed, one main reason why India's economic development has been greatly retarded in the past was the lack of what may be called social and economic overheads. It is only when large public investments in transport, communications, power, education and research have taken place that the scope for private enterprise will become larger. The fact that today, in spite of the expansion of the public sector, private enterprise in India is not only buoyant but is optimistic of the future provides ample evidence in support of the thesis that in a properly planned economy not only is there no conflict of the type imagined in a purely doctrinaire approach but the expansion of the private sector is itself conditional on an appropriate expansion of the public sector.

## II

The actual problems of management and operation of the public enterprises, are in no way different from those which confront the private sector. There is the same hard core of practical problems in all enterprises whether they are private, public or mixed. There is the same question of management of personnel, labour relations, of cost, efficiency, internal organisation, delegation of authority, price policy, etc. It would hardly be possible to deal with all these matters in this short sketch, but a few points may be selected for illustration.

Taking up first the question of autonomy of public enterprises, the real problem is how to secure a balance between public accountability on the one hand, and on the other, the flexibility of management needed for dealing in a responsible way with changing situations which require quick decision. In some countries, the public enterprises were permitted to have excessive autonomy; they almost tended to disregard the responsibility to the public in their operation and management. Fortunately, such danger is now past in India as well as elsewhere. There is universal recognition that parliamentary control is essential and justified; only it should not be excessive or detailed. Parliamentary control should not lead to either too much delay or create a sense of timidity on the part of managers of public enterprises. The forms of organisation of public enterprises may vary, as in India. We have examples of public corporations, private companies and departmental management. Whatever be the form of organisation, the main point is that public enterprises should regard themselves as organisations whose objective is to meet the public need most economically and efficiently. As regards administrative relationship, while the Minister

must necessarily have the ultimate say in regard to policy, the Board of Directors should have a voice in its formulation and a fair scope for manoeuvrability in its execution, for situations change and a mechanical application of a stated policy may be contrary both to the public interest and the original intentions of the framers of policy. It is ultimately a question of trust which has to grow (as part of the national character) and cannot be assumed or provided for in an administrative way.

In India, the Chairman of the Board of Directors of public enterprises and the majority of the Directors are officials. This by itself is a sound policy, since the public enterprises belong to the State, and the policy of the State can best be interpreted by its officials. On the other hand, there is the danger that the official Chairman of the Board of Directors may either find little time to guide the Board of management or might find it difficult to wear a double hat, one as representative of the Government and the other as representative of business. It is the practice in Indian public enterprises to have a few non-officials on the Board. Although Mr. Appleby in his report has condemned this practice, there is no gainsaying the fact that the presence of non-officials is of great benefit both to the particular enterprise and to the public. It is democratic in the sense of providing a check on the exercise of power, and serves in a broad way much the same ultimate purpose as the presence of an official in a private Board of Directors.

One of the problems connected with the management of public enterprises is the danger of civil service mentality prevailing in management of business concerns. There is also the further question as to whether civil servants are best suited for managing business enterprises. Here one has got to take a balanced view of the matter. There are many problems which personnel with the civil service training are specially qualified and competent to handle. It is also a mistake to think that the civil servants cannot take quick decisions. The fact is that in private business also there have been many instances of dilatory decisions. Nor is it true that public enterprises cannot have a system of promotion by merit. Actually Government is undertaking certain measures which would eliminate the difficulties and disadvantages of routine governmental management. A Management Pool has been established and its service conditions are somewhat different from those obtaining in Government service. It is often stated again as criticism of public enterprises that they do not have for their executive posts men of high technical competence and that they are unwilling or unable to recruit from private businessmen for executive posts. Further, at the highest level of executive management,

a technical man is not necessarily an ideal person. In smaller businesses, a technical man could be more useful as head, but where businesses are large, specialist with technical knowledge and experience would not necessarily be more valuable. As regards recruiting from private business, the difficulty is one of securing the right type. It would be wrong to assume that men in private business would necessarily be ideally suited to fill executive positions in big public enterprises. What is really needed is that the methods of recruitment and promotion should be less rigid and that there should be greater flexibility in procedures in regard to appointments and promotions and that recruitments should be made from as wide an area as possible.

### III

Public enterprises and private enterprises cannot be compared except in terms of the public policy to be observed. In many instances, public enterprises may by their very nature be monopolistic. They enjoy certain advantages which are denied to private enterprises. In the context of planned economy, it is possible that some discrimination in favour of public enterprises in respect of supply of basic materials, power, transport, etc., may be justified, but there should at least be one basic requirement and that is when they enjoy subsidies either veiled or concealed or are given any exemption, all these advantages and benefits should be fully brought to light. A comparison, therefore, between public and private enterprise should be on an equal basis. In so far as the Second Five Year Plan provides for the functioning of the private sector it is only proper that adequate facilities should be granted to private enterprises and that no unnecessary discrimination or any possible hindrances should be permitted.

The mere fact that public enterprise meets a definite end cannot by itself justify the expansion of the public sector. The more relevant criterion is to what extent can the public sector meet the need and whether, for the same cost, other investments could not produce better results. The investment pattern should conform to the criterion of the most efficient use of resources. It is, therefore, essential to undertake painstaking research to work out valid formulae for evaluating the operations of public enterprises.

Another point to be considered in respect of the operations of the public enterprises is the question of price policy. What prices should be charged for the products of public enterprises? This would depend upon objectives of social policy. While in some cases, there may be justification for selling products, without making profit, (e.g. the sale of fertilizers to agriculturists), it should be the principle of public

enterprises that all costs, including depreciation, replacement, etc., must be properly appraised and the degree and nature of loss fully known and booked in the public accounts. As a matter of fact, there is justification for charging more than the cost, since the profits of public enterprises might well become—in fact, are in socialist economies, as already pointed out—an important source of finance. Often public enterprises are given consolidated subsidies in the form of lower prices of the materials which they buy. This again, whether it is right or wrong, should be brought out clearly and not permitted to be used surreptitiously. It is necessary for the country to know at what cost public enterprises are functioning. Sometimes, there is a tendency for public enterprises to give away in the form of higher wages what can really go to the wider public either in terms of lower prices or greater economy in the use of public funds.

The choice between public and private enterprise, or in other words the area demarcating the public sector from the private sector, is ultimately a matter of public policy. But in deciding upon it, the main issue to be considered is what would produce the best social results. There is always the danger of public enterprises not working satisfactorily on account of the rigidities and other disadvantages inherent in their operation. There is also another major factor in the determination of the public sector. Since the managers of publicly operated enterprises do not bear the risks, there is the danger of inefficiency and possibility of waste. Another set of problems which must be considered in defining the area of the public sector is the whole question of incentives to work. How far can people be inspired to do the best work under non-monetary incentives? This opens out what might possibly become one of the most profitable fields of research in the Indian economy.

In India unfortunately, there is too much of a partisan attitude both for and against private enterprise. The fact that some entrepreneurs may not have done well is no reason why there should be a wholesale condemnation of the private sector. An illustration of this unsocial way of thinking is provided by the reported 'expert' opposition to credit expansion at a meeting with the Finance Minister on the ground that it would benefit banks, which are at present privately owned and managed. Such a narrow approach in the public or in the private sector, is both unhelpful and self-defeating. It poses a conflict that does not really exist. It is a type of argument, which pressed to a *reductio ad absurdum*, would lead either to complete inactivity or absolute regimentation, for all economic decisions have intended or unintended distributive consequences. Public decisions would be

wholly frustrated if based on any whimsical reading of minor currents of social change or the distributive process.

Our eye must be focussed on the direction of the main broad current. Is the economy posed in the right direction? Is it moving on as fast and as desirable a rate as is practicable under the circumstances? Viewed in the perspective of such a philosophy, the present controversy of the sectors might lose much of its sharpness, and, in fact, may take on a creative aspect.

For the development of such an attitude, there must be a total abandonment of the doctrinaire approach with which we are getting plagued. In social affairs, what works is good; what fails has to be forsaken. In economic, as in political affairs, India has to evolve a non-partisan approach. Each sector of the economy must determine the spheres in which it can deliver the goods and rapidly enough, for the country will not wait and does not really care for the triumph of capitalism or socialism.

Further, in respect of private enterprise, it may be said that the public attitude and hence the policy of Government (for this is a democratic country) will be largely determined by what Lord Keynes—by no means a socialist—called the level of the stakes. If profits made by private enterprise are genuinely competitive and broadly reasonable in the public view, there is no reason why it cannot continue to fulfil its legitimate and essential role.

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“In a large and complex organisation efficiency can only be achieved and maintained by a continuous and conscious effort of leadership and direction from senior officers. It is not sufficient merely to have good methods and clear instructions. As in many other spheres of activity...the great problem is the human one and the greatest need is to recruit and train those who are likely to be the leaders of the future.”

—SIR HAROLD EMMERSON  
( in ‘The Ministry of Works’ )

## FURTHER THOUGHTS ON CO-ORDINATION

P. R. Dubhashi

IN his article on Co-ordination published in this *Journal* for the quarter July-September, 1956 (Vol. II, No. 3), *Shri S.B. Bapat* touched upon one of the central problems of administration. With the rapid increase in scope and volume of state activity under the First and Second Five Year Plans, there has developed a growing tendency towards departmental specialisation. Proper co-ordination has therefore become increasingly necessary to prevent isolated specialisation and to yoke all departments together in a common effort towards the common destination. National planning necessarily envisages a comprehensive approach to human problems and does not admit either of compartmentalised planning or compartmentalised effort. Planning and co-ordination are thus inseparable and nowhere is this principle more clearly illustrated than in the National Extension Service. The Service is an instrument for planned rural reconstruction and constitutes *inter alia* an administrative innovation, i.e. the establishment of a vertical co-ordinating hierarchy reaching right down to the village level but *without any horizontal ramifications*. This vertical hierarchy has its multipurpose representatives at every level, the most important among them being the Village Level Worker. As these representatives draw upon the horizontal ramifications of several departments at different levels to achieve the common goal, their main role is that of "co-ordinators", though in N.E.S. terminology they are known as "messenger boys". The present article puts forth the thoughts arising out of the field experience in rural reconstruction of one such messenger boy functioning as Project Executive Officer

### II

Planning in the sphere of rural reconstruction, as in others, involves four stages, viz :

- (i) Assessment of needs of an area—be it a village, a block, a *taluka*, a district or a state.
- (ii) Assessment of the actual and potential resources.
- (iii) Balancing the resources against the needs; and drawing up a scheme of priorities.
- (iv) Satisfying the needs in conformity with the priorities laid down, i.e. execution of the plan.

Problems of co-ordination arise at each of these stages and they are briefly discussed below in the following order :—(1) Co-ordination in assessing resources, (2) Co-ordination in assessing needs, (3) Co-ordination in laying down priorities, and (4) Co-ordination in satisfying the priority needs.

(1) *Co-ordination in Assessing Resources :*

Co-ordination here cannot be restricted merely to resources available with the Government. People's participation is the hall-mark of national planning in India and co-ordination of resources implies co-ordination of all resources available—(i) with different Government departments, (ii) with various local authorities like the village panchayats, the district boards, or *anchal* bodies, and (iii) with people in their individual capacity or organised into voluntary bodies like *gram vikas mandals*, or labour co-operatives or farmers' associations.

Nor does co-ordination of resources mean co-ordination of mere financial resources only. When resources are expected to come from the people themselves they would come more often than not in kind and labour than in money. Co-ordination of resources therefore implies co-ordination of physical as well as financial resources. Furthermore, these resources are not a "constant factor" like government finance budgeted for a year. They are more flexible, variable, sometimes even unknown, and cannot be taken as "given". When it is said that planning must be dynamic, what is meant is that it should take due cognisance of all the variable factors.

Thus, co-ordination of resources coming from different sources, in different forms and at different points of time, constitutes one of the most difficult administrative problems.

In the Community Project and N.E.S. areas attempts have been made during the last three or four years to get over these difficulties but the co-ordination of resources still leaves much to be desired. For instance, while it has been envisaged that at least 25% of the departmental resources should be invested in N.E.S. areas, but there is, in practice, a noticeable tendency to divert these funds away from the N.E.S. areas. It is apparently thought that, since the N.E.S. areas get special funds in any case, it is unnecessary or unfair to spend the departmental funds in the same area. Such an

attitude defeats the very purpose of the National Extension Service, viz. the achievement of a concentrated development in certain areas.

Lack of adequate co-ordination of resources of local bodies with those of the Government is another usual phenomenon. The reserve funds available with the village panchayats in a *taluka* may amount to quite a substantial sum. If properly co-ordinated with other funds they can finance many development activities. In the absence of such dovetailing of resources, the scattered resources of the local bodies are found to be too meagre and insufficient to produce any appreciable results.

Lack of co-ordination of people's resources available in individual capacity with other sources is not also uncommon.

To quote a typical example, from time to time, people keep deposits with different Government departments, e.g. Education, Medical, etc., as their "local contribution" towards the cost of building a school or a dispensary in their village. In the absence of supplementary government funds—recurring or non-recurring—the funds deposited by people sometimes remain idle; some of them even lapse and cannot be revived without the help of the Accountant General unless the development machinery at the state, district and block levels maintains integrated and watchful attention.

## (2) *Co-ordination in Assessing Needs :*

The determination of over-all needs also presents difficulties. Wants, individual or social, are insatiable and every village if asked—as it was when "planning from below" was attempted—can produce a long list of felt needs which deserve to be satisfied immediately. Yet, what is relevant to planning is not a list of needs but assessment of their relative urgency both for a village and for several villages in a *taluka* or block or district. Sometimes the criteria for judging relative urgency can be purely objective, e.g. a village without a well must have it before another can have an additional well for its increasing population. But the choice becomes difficult when the need is somewhat less primary in character and competitors are very many, e.g. starting of a veterinary dispensary, a health unit, a maternity ward or an open air theatre. The difficulty increases when the quantum of people's participation is considered as one of the yardsticks



to judge the intensity of want. The wealthier and the more vocal are likely to get precedence over the poor and the dumb. In addition to intra-departmental and inter-departmental consultations, conferences and committee meetings, co-ordination for assessing needs requires the maintenance of continuous field contacts. The unpleasant job of saying 'no' to a superfluity before a necessity is satisfied has got to be done, even though some members of an advisory, consultative or co-ordinating committee may find it rather unpalatable.

(3) *Co-ordination in Laying Down Priorities :*

Assessment of needs and resources should, as a rule, automatically lead to a scheme of priorities. But even here difficulties are likely to arise due to differences in considerations which govern the decisions of different government departments. A typical case is one of rural electrification. A list of populous villages is drawn up, assuming that the needs for electrification of more populous villages is more urgent than that of less populous ones; their resources are examined and their ability to pay the royalty for street lights is ascertained. Priorities are then laid down. The list of priorities is now sent to Electrical Department, where a new consideration arises, viz. proximity to existing transmission lines. In the light of this factor the priorities may have to be altered. Less populous villages may get a priority over the more populous ones because they are nearer to transmission lines.

(4) *Co-ordination in Satisfying the Priority Needs :*

Priorities have been fixed and targets laid down. If the execution of the plan for reaching the targets is the job entirely of one agency, no further problems of co-ordination arise except those internal to the agency. But the attainment of the targets nearly always requires the efforts of more than one agency. Here again co-ordination comes into picture. Take the example of rural credit. Targets have been set for distribution of rural credit, of which, say 25%, is to be given in the form of fertilisers. The Co-operative Department has got the loan sanctioned and is ready to buy the fertiliser and deliver it at the door of the villager, but if sufficient stocks of fertilisers have not been arranged for previously by the Agriculture Department, the goal of giving

25% of sanctioned credit in kind is not realized. The difficult task of bringing to the ryot's door credit and stocks in right quantities, at right time and at right place requires the closest co-ordination between the Co-operative and Agriculture Departments. There may be several reasons why fertilisers in right quantities may not be available at the right time and place. One such factor which the writer has noticed is the unequal growth of the departments. When there is a substantial increase in the amount of rural credit to be distributed in kind, there must also be a corresponding increase in the number of agricultural depots and vehicles to supply seeds and fertilisers in sufficient quantities. The shortfall in the activities or field staff of the various departments working for an identical programme requires to be corrected by co-ordination at the highest level.

### III

Co-ordination is not in itself the final action. It is useful only in so far as it leads to correct conclusions and promotes right action. It should be restricted to the minimum necessary. Recent years have witnessed the birth of several *ad hoc* agencies outside the normal departmental structures. This has greatly increased the need for co-ordination. Typical examples of these agencies are to be found in the Mysore State in the fields of rural industrialisation, rural welfare and adult education.

In the field of rural industrialisation there exist six central boards, the traditional Industries Department of the State, the newly emerged rural industrialisation department, and pilot projects and the industrial programmes in the community development blocks; and if rural industrialisation is to include agricultural industries (e.g. setting up water-pump sets for growing vegetable), the agricultural, the revenue and the electricity departments would also step in. Too many cooks are, however, likely to spoil the broth and if each cook has his own set of rules the confusion will be worse confounded.

In rural welfare the Social Welfare Board has spread out its own network of activities isolated from the Social Education Programme of the N.E.S. and of other traditional departments.

In Adult Education there is the competition between the Social Education Programme of the N.E.S. and of the State Adult Education Council.

The "Organisational Pluralism" is confusing even to the informed—not to talk of the ignorant villager for whom it is meant. An urgent administrative reform needed today is the elimination of

multiplicity of agencies working in the same field. Mr. Appleby has here sounded a timely warning : "Novelty of function and urgency of its need may dictate the establishment of new organisations for the purpose. In time the total consequence, if uncorrected, will certainly be a total proliferation of special organisations within the Government of such number and variety as to be unmanageable to Government. In every marginal judgement, the choice of expansion method should be in favour of expanding a going organisation. There should be a persistent movement of consolidation of special organisations—according to some schemes of coherent missions."

If elimination of multiple agencies is not practicable, there should be at least an elimination of diversity of rules and procedures followed by several agencies covering the same field. This again calls for co-ordination at the highest level. A typical case in point is one of rural development. There are the traditional rural water supply and rural communication schemes; there is the local development works scheme; there is the N.E.S. works programme; there are departmental development schemes, *e.g.* cheap design scheme for rural schools. The extent of the people's participation in these several schemes varies; powers of sanction of the appropriate officers differ, as also the methods of financing and powers to check measurements. No wonder one scheme tends to jeopardise the success of another. Here is a wide scope for streamlining administration through co-ordination.

All this brings out the complexity of co-ordinating processes. The complexity of co-ordination is a caution against too much planning, too comprehensive a planning, too rigid a planning. That also is a warning against the arithmetic summation of village plans to arrive at a national plan. An over-all five year plan without too many rigid details, an annual plan flexible in nature, and district and village schemes planned not once and for all but from time to time within the main plan's framework—only such an approach can ensure that problems of co-ordination do not themselves become so complex as to hold up action which such co-ordination should promote.

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"The task of the head of branch is...one of great complexity... He must be 'a man of business, not a man of genius'. He must be a master of timing, but not a time server, an opportunist but not bereft of principle."

—FRANK DUNNILL  
(in 'The Civil Service')

## HUMAN RELATIONS IN INDUSTRY

B. N. Datar

*(Problems of human relations arise in all fields of organized human activity. Industry is only one of many such fields, but it does provide an independent setting and raises its own special problems of human relations. A study of such problems and the general conclusions one might reach in regard to causes of dissatisfaction in industry and their remedies might lend themselves for application in other fields such as public administration and social services. Similarly an analysis of human behaviour in the public services may well provide lessons for industry. The author, who was specially deputed as a delegate from India to attend the "Duke of Edinburgh's Study Conference on the Human Problems of Industrial Communities within the Commonwealth and Empire" (Oxford, July 1956), has attempted in the article to give a brief account of how the Conference approached its task, how its deliberations were conducted and what conclusions were reached. He has also touched upon the significance of these conclusions from the point of view of public administration. — Ed.)*

THE period of the First Five Year Plan was relatively one of industrial peace. Even so the number of industrial disputes came near the 5,000 mark and accounted for a loss of about 20 million man-days. A single dispute in Kanpur was responsible for about 10 per cent. of this loss and was spread over two months in 1955. Work stoppages have continued in the first year of the Second Plan at a disconcerting pace. In a country attempting an ambitious programme of development, work stoppage is a luxury which cannot be afforded and yet it would be unrealistic to close our eyes to the stresses and strains which exist within an industrial community at all times.

The very process of industrialisation reduces opportunities for personal contact between employers and workers. The channel of communication between them necessarily extends itself beyond a manageable limit. It becomes as much difficult for management to implement decisions that affect the day-to-day life of workers as it is for the latter to accept such decisions from a remote authority. What is true of an industrial organisation is also true of other large organisations, be they trade unions or governmental institutions. The basic problem, therefore, is, as Mr. Laurence Thompson puts it, "to strike a balance between the loss of technical efficiency through smallness and the loss of human efficiency through largeness".

An objective investigation of the study of human problems of industry requires to be undertaken periodically. In face of the rapid

scientific advance in technology and methods of production the industrial scene also changes rapidly and solutions which at one time looked attractive lose their meaning in course of time. That is why it is important not only to realise that patterns of human relations are changing but also to ask ourselves the question 'at what pace are they changing'? Studies in the mechanism of changing human relations were undertaken in the past by social scientists and technicians. But it is now being increasingly realised that persons who have to face each other in the course of their daily work—the rank and file of workers, personnel officers and shop stewards—should be brought in such studies not merely as 'guinea pigs' but as active associates.

In all countries, the development of human relations in industry is a complex of many factors. It is difficult to untangle fully the strands that go together to make up the fabric of human relations. These will include, *inter alia*, the stage of economic development, the existing socio-cultural patterns, the degree of political awareness and the quality of national character and leadership. The relative status of employers' and workers' organisations in industry and their attitudes to collective bargaining practices also determine the content of human relations. Recognizing the importance of such 'local factors' in the determination of human relations, it may be asked 'of what value can the fund of experience in one country be to those interested in similar problems in other countries?' The recent discussions at the Duke of Edinburgh's Study Conference on the Human Problems of Industrial Communities within the Commonwealth and Empire (Oxford, July 1956) throw interesting light on the common problems of human relations in industry and were based on the belief that this experience could be shared.

## II

The Conference membership was about 300 strong. It had a delegation from each Commonwealth country, consisting mainly of representatives of employers from public and private sectors and trade unions. The Indian contingent was selected by the Government of India in consultation with the Joint Consultative Board of Industry and Labour\*. For securing a closer discussion of various aspects of human relations, the Conference was divided into 20 groups and so was the main theme of the Conference. Each group had, as far as possible, a balanced representation of the countries participating in the Conference as also of the employers' and workers' organisations. It was asked

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\* The Board is a bi-partite organisation of employers and workers for promoting good and stable industrial relations.

to study in detail one of the twenty subjects and to contribute to two others. A group thus contributed to two other groups and, on the subject on which it was expected to report, received contributions from two groups. All groups were asked to visit London because of the special problems the city presented, problems which were of interest to the whole of Conference membership. The study tour in London was arranged either before or after the group's visit to another important industrial centre—important from the point of view of the subjects in which the group had primary or secondary interest. As it happened, this arrangement turned out to be the most advantageous for the study of problems on the agenda.

There was a complete informality in the group discussions and in other activities to which the Conference as a whole, or in groups, addressed itself. The setting provided by the University town of Oxford and the community life offered in the Colleges, where the groups were housed, afforded an ideal opportunity to discuss the various subjects at the Conference. But what was perhaps more important was the manner in which the membership of the Conference was placed completely at ease by the group Chairman who cut the geographical distance between participants from various countries by introducing the system of addressing one another by Christian names. What was true within a group was also true between groups.

The delegates were given a preliminary briefing at Oxford after its inauguration by the President of the Conference, H.R.H. the Duke of Edinburgh. A series of lectures were given by eminent authorities, leading civil servants, industrial magnates, business managers and top executives of some of the established trade unions. While, on the practical side, there were a number of success stories which one listened to in the Conference—perhaps the most impressive way of introducing discussions—the organisers had also arranged for theoretical analysis of difficult situations in human relations. With this briefing and preliminary discussion on the main subject of the Conference as well as on the topics on which each group was specifically asked to report, the groups dispersed for their study tours.

The deliberations in different groups revealed that the problems of human relations arose, *inter alia*, because of (a) lack of ownership by individuals of the tools of production, (b) the loss of pride in creation, (c) loss of family ties, (d) concentration of diverse populations in areas favourable to location of industries, and (e) difficulties in securing normal social amenities like housing, transport, etc. As the process of industrialisation gathers momentum, there is a further loss of individuality and an increasing remoteness from the employer.

While these are on the debit side of the modern industrial civilization, the main gain on the credit side has been the variety of products which it has brought within the easy reach of the common man. It is this advantage which perhaps outweighs the possible disadvantages of excessive concentration of population. Then, again, as was pointed out by Sir John Maud in the Conference, 'Industrialisation gives us the possibility of more freedom, and more slavery; more fellowship, and more loneliness; more security, and more precariousness; more civilization, and more barbarism; and between these opposites we cannot always choose'.

The Conference did not arrive at many new conclusions, but it did help in securing a wider basis for the conclusions reached individually in different countries. Some of the important points on which the Conference sought to lay emphasis were :—

1. Satisfaction at work is a complex subject. One should avoid simplifying it.
2. Effective communication is important for job satisfaction.
3. Monotony of work is not as serious a source of dissatisfaction as it is made out to be.
4. The size of the firm is an important consideration for maintaining better human relations. The smaller the size the better.
5. The ultimate success of all human relations machinery will depend upon the common purpose and integrity of the people connected with it.
6. Minimising social distance between employers and workers is a great step forward in maintaining happy industrial relations.
7. Traditional good relations between employers and workers are a great help in adapting to rapidly changing situations.
8. It is extremely important to choose, at all levels in the industry, men who will accept obligations to the community and to the workers in addition to their traditional obligations to the owners.
9. Workers should be given a sense of belonging in the fortunes of the undertaking.
10. Qualities of human relations personnel are more important than the techniques sought to be used.
11. There has to be a close and continuous pressure for research, experimentation, modifications and improvements.

12. Management at different levels should have an artist's awareness of human tolerances called for from workers.

There were also references to questions of housing and town planning, difficulties in travel, and to special categories of workers like those in agriculture, tertiary services, women workers, etc. The main contribution of the Conference lay in reiterating the importance of some of the well-known concepts which have assumed special significance in the context of the present stage of industrial and technological development.

While there was a general agreement as to the nature of problems that all countries had to face in the sphere of human relations in industry, it was emphasised that each country had to work out its own solutions taking into account its social, economic and political conditions. For instance, notwithstanding the contribution made by the employers' and workers' organisations, a large share of responsibility for minimising social distance between workers and employers must, in under-developed countries, necessarily devolve on the Government. To give workers a sense of belonging to the undertaking, production committees, works committees, and in some cases even direct participation by workers in management, are being tried, but it would have been foolhardy to suggest that one or the other measure would succeed in all countries. Again, the smaller the size of the establishment the greater the scope for healthy human relations but whether these relations can be effectively secured by providing for a large number of small units, or through the grant of adequate autonomy within the large establishment itself, will depend ultimately on the stage of industrial development in the country.

In the Oxford Conference, considerable emphasis was also laid on the complexities of management functions, dimensions of which have recently been widening not only within the factory itself but even outside. The important role which workers' unions are playing, and the constant pressure by them on management for increased participation of workers and the acceptance by the community of the new democratic values, call for a change in the outlook of management. They require of a manager not only capacities which would facilitate absorption of new techniques in planning, organisation and control, but also an awareness of the changing nature of each of such functions. Hence, the importance of continuous training of junior executives in the ranks both of employers and trade unions was specially underlined at the Conference.

Co-operation in industry was another subject which received special attention at the Conference. It was heartening to see employers'



delegates from areas like Northern Rhodesia or Johannesburg and workers' representatives from British Guiana or Gold Coast sitting together and discussing how such co-operation could be improved to achieve maximum efficiency. The essence of co-operation in industry could not be better expressed than in the following words of Dr. J.C. Ghosh\*:

"Treat a man with respect and he will strive more and more to earn your respect. Discuss your problems with him, and it will set him thinking how the problem can best be tackled in the context of his own work. Men co-operate only as a result of agreement, which arises from mutual consultation. When you persuade large groups of men to co-operate in industry, you do more than improve the efficiency of that industry. You strengthen the foundations of a co-operative commonwealth.

"Co-operation becomes difficult if the tendency for industry to split into two camps, owners and managers on one side and workers on the other, be not checked. One way to avoid this split is to discover real ability wherever it exists in the ranks and to help promising men to climb up the ladder as fast as they can. . . . . The motto should be, as in Napoleon's army, that a soldier's knapsack carries a Field Marshal's baton."

### III

What is the significance of the conclusions of the Conference for the administrators? This may best be considered in two parts : (a) in relation to Government as industrial employer, and (b) in relation to the normal functions of administration.

Under the Second Five Year Plan there will be a large expansion of the public sector. The Plan has suggested that conditions of work in public undertakings should set the model for the private sector. The Plan also lays down that the public employer should not avoid the ordinary responsibilities of a private employer on the ground that he is not working for profit. The managements of public undertakings should not, therefore, normally seek exemption from labour laws or ask for other concessions not available to the private sector. The expanding public enterprises would, thus, provide ample scope for demonstrating, in actual practice, the contribution that good human relations can make to reduction of labour tensions and disputes, speeding up of production and improving the quality of work. The establishment of a socialist pattern of society is the accepted national

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\* Address at the First Annual General Meeting of the Delhi Management Association

goal and good human relations in public enterprises will also show the way how individual dignity and freedom can be reconciled with efficient public management.

The problems of human relations which result from the increase in the scale of organisation and the size of operations of administrative agencies are similar in nature to those which arise in private organisations. For instance, the association of workers with the management of the establishment through the mechanism of works committees, and of public employees through the agency of Whitley Councils, both present the same baffling problem—one of assigning to them 'specific functions'.

The discussions at the Duke of Edinburgh's Study Conference should, therefore, be of special interest to administrators in so far as they reveal that work efficiency is as much a function of good human relations as of work methods and procedures. The effectiveness of the worker, be he a public servant or a private employee, depends upon the total satisfaction he obtains in his job. To quote a sentiment expressed outside the Conference room : "It must be understood that a man brings to a factory or an office more than the hands with which he works. He brings a part of his life—he lives it there—and he should be able to enjoy rights and satisfactions in that working life just as he does in his life as a citizen."

The Conference sounded a warning against the danger of simplifying the complex concept of satisfaction at work. Various incentives, financial and non-financial, have their value, as also have the different devices for associating workers with the management of the undertaking. But more important than all is the general climate, *i.e.* the general pattern of human relations. And this general climate is set mostly by the top management.

The leader of an organisation, public or private, can infuse confidence among the staff and raise the general tone of morale by setting an example of informality, fairness, and regard for employees' interest. Communication, both from the top administrator to the ordinary employee and from the latter to the former, has a special significance in this connection. 'Bad communication' is, more often than not, responsible for a general sense of dissatisfaction and frustration even when the personnel policies of the organisation are quite satisfactory.

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## PANCHAYATS AND DISTRICT DEVELOPMENT ADMINISTRATION

P. C. Suri

**W**HILE community projects and national extension service are two of the most remarkable developments of recent years aiming at a radical transformation of India's rural economy, their achievements will hardly be lasting unless village panchayats are accepted, and brought into picture, as the basic units of village planning and development.

In the First Five Year Plan, panchayats were visualised mainly as the agency at the village level for development, welfare and land management as well as for land reforms. This role was, in principle, fully accepted by all the State Governments. In the Second Plan, specific measures have been recommended for building up active panchayats in order to secure the broader aims of (a) comprehensive village planning (after taking into account the needs of the entire village community, in particular, of the weaker sections like tenant cultivators, landless workers and others); (b) bringing about a more just and integrated social structure in rural areas; (c) the development of a new type of leadership in village society which is in a state of rapid transition; and (d) for completing the pattern of district administration envisaged in the national extension and community development programmes.

During the last two decades or so considerable thought has been devoted to certain basic issues relating to the development of panchayats, such as the concept of 'self governance' and questions of structure, functions and relationship between panchayats and co-operatives. Panchayats have been generally conceived as a sort of rural municipal committees. But the concept of 'self governance' in relation to panchayats is hardly tenable in a country working for planned speedy development. The political approach behind the term 'self governance' (which regards village panchayats as small republics) would isolate panchayats from the major sources of strength. It confuses the *real role of panchayats which basically is that of a planning, executive and multipurpose organisation at the village level*, fitting its activities into the pattern of the over-all district and state plans. The panchayat may be required to assist the various departments of the government, and even to execute some of their schemes.

The problem of relationship between panchayats and the administrative organisation for district development is inherently linked up with that of over-all reorganisation of the district development administration. At present, four agencies, viz. (1) normal district administration, (2) community projects administration and national extension service, (3) district local boards or federations of panchayats, and (4) panchayats and municipalities, are in position in the district. Suitable arrangements are being worked out to secure co-ordination between (1) and (2). There is, however, a strong difference of opinion whether the personnel of the revenue administration can or should be employed also for the development and welfare functions of the government. Considerable administrative and financial powers have been delegated to the lowest co-ordinating point, i.e. the Block Development Officer. A number of issues relating to co-ordination in respect of functions, finances and personnel for all the four groups of agencies, in particular for the last three, still remain to be studied and settled. *The exact place and role of panchayats in district development administration cannot be determined without a fuller consideration of these problems.* Important among them, which are specially relevant here, are :—

1. The nature and size of the functions to be performed up to the district level for securing rapid development, and progressive evolution of a new social order, during the next 10 years or so?
2. What would be the most rational distribution of these development functions among the existing agencies and organisations?
3. What would be the most effective pattern of co-ordination between the normal district administration and the community project and national extension organisations and how can the work of the panchayat as an executive-cum-planning village agency be best co-ordinated and integrated with the current programmes of these organisations? What would be the most appropriate role of panchayats in the post-community project arrangements?
4. (a) Should there be a co-ordinating, supervisory and executive unit of people's organisation above the level of panchayats? If so, how should it be constituted? What should be its relationship with panchayats in regard to functions, finance and supervision?

- (b) Should this unit have more functions than the present district local boards ? Should it also act as the agent of the State Government in regard to community project and national extension programmes ? If so, in what manner and in what stages should this integration be brought about ?
  - (c) Should its functions also include the entire general administration other than such functions as law and order, administration of justice and certain functions pertaining to revenue administration ?
  - (d) Should the intermediate unit be set up at the block level, the tahsil-cum-divisional level or the district level ?
  - (e) In what manner can it be provided with adequate resources (administrative, technical and financial) ? Estimates of the resources required ?
5. In what manner should the various local self-governing organisations in rural and urban areas be co-ordinated with each other and with the district administration ?
  6. Is there a need for a supervisory-cum-planning body at the district level (exercising most of the powers of the State Government) for securing over-all co-ordination as between various agencies functioning in the district ? What should be its functions ? How should it be constituted and in what manner should it function ?
  7. To what extent should the powers vested with the State Government be delegated to the district level and the powers at district level to lower levels ?
  8. What should be exact roles of the Collector, the Sub-Divisional Officer, the administrative services, and the representatives of the people, social workers, etc. in the execution of the district development plans ?
  9. What would be the most effective arrangements for review of activities and assessment of results ?

In deciding upon the solution of one or more of these problems it is necessary to bear in mind the twin objectives of higher administrative efficiency and participation of the people in development activities. A rational administrative structure has to be evolved to avoid overlapping of jurisdictions and the consequent confusion, delay or wastage of resources. A national plan which aims at building the future productive capacity of the nation leaves relatively lesser scope for

increasing the standards of living in the present time. This lack of adequate material incentive can be balanced by the incentive of popular participation. Working apart, both the administrative machinery and the people's organisations have limited capacity; working hand in hand they will add substantially to each other's effectiveness.

## II

A major handicap to the growth of panchayats has been the inert nature of rural life and economy. The early British regime undermined the community cohesion in the village by commercialising agricultural production and by certain administrative and legal measures. For instance, in Mysore, panchayats have been functioning on the State-wide scale for the longest period and have been allotted  $12\frac{1}{2}\%$  of land revenue (about 4 annas and six pies per head per annum). Yet the villagers have "not shown sufficient interest", nor "will to join together for common good". According to the State Government the basic reasons for this failure are : (1) incapacity of the rural economy and society to retain intelligent persons in the village, (2) organisational defects (including non-viability of village groups), and (3) inadequate provision for social education. The basic pre-condition for the development of panchayats, therefore, is the development and diversification of the village economy and its capacity to provide work and pleasure.

The programme of making panchayats effective has more often than not been resisted by agencies or individuals who regarded them as rivals to their own authority or prestige. In fact, it was noticed that after the establishment of panchayats, and delegating to them powers and functions (without providing for adequate finances), certain elements in administration adopted an indifferent or unhelpful attitude towards their successful functioning. On the whole, the arrangements for guidance and supervision by the administration are thinly spread out and the rules prescribed discourage rather than encourage activity. In some States the financial control has served even as a positive disincentive to the collection of funds by panchayats. The village community has, at places, shown preference to collect funds for their needs directly, without going through panchayats. Indeed, why should it collect funds to have them frozen in the hands of panchayats ?

The rural leadership, particularly the landlord leadership, has been losing its hold on account of land reform measures and is even jealous of village organisations. The new leadership has yet to emerge or is in the process of emerging. In some areas the federal elements have manoeuvred to capture powers in panchayats. The

Committee of Direction for the All India Rural Credit Survey has hazarded the view that, in most villages, neither panchayats nor an *ad hoc* committee would be an appropriate organisation because both of them are likely to represent precisely those elements in the village, which, by and large, operate against the interests of the middle and small cultivators. Where, on account of their numbers, lower castes were elected, generally the influential high caste or landlord sections of the village made it impossible for panchayats to carry on their work. In fact, the richer elements have not infrequently held back their dues to panchayats.

The panchayat is an executive organisation whose part-time chief executive, *i.e.* *sarpanch*, is normally untrained and unexperienced to perform the duties of a panchayat leader. He has also to earn his livelihood, and the nature of his profession in no way helps him to develop qualities required for rural leadership. The implications of this factor have not been adequately taken notice of.

Panchayats have been allocated functions but not adequate resources. Lack of resources and consequent lack of activity, *i.e.* existence of authority without scope for work, has been a major cause of factions and demoralisation in many panchayats.

Panchayats have also tended to create new factions and some panchayats function on the basis of caste-alignments. Powers vested in panchayats may even be abused. There is support in the political parties for making the elections non-political.

A village community, by and large, does maintain a balance of power, through domination, integration or compromise, except when it is in actual conflict within its ranks. The so-called 'factions' are very often social or caste groups which do not always have a negative role. There is a persistent sense of insecurity—economic as well as physical—in the rural set-up. Social grouping in the village, to an extent, provides security. There is need for adequate understanding of the role of such groups in maintaining the rural balance of power.

The past experience with the working of panchayats generally confirms the growing belief that unless they are developed as an integral part of district development administration they will not be able to fulfil the multipurpose role allotted to them under the Second Plan. The two main causes for their uneven and rather tame achievements have been (i) neglect on the part of administration to build up panchayats as executive units, and (ii) absence of co-ordination with the work of other agencies and departments and lack of integrated support by district administration. Even for the enforcement of their decisions, panchayats depend upon the administration.

This does not, however, imply that, given adequate resources and support, they are not capable of achieving remarkable results. In fact, despite the present limitations, some panchayats have done very well. Important among these achievements worthy of notice are :

(1) In Bihar, financial assistance of approximately 3 annas and 9 pies by the state has stimulated a great deal of constructive activity in the field of irrigation, drinking water supply, communications, sanitation, education, etc. The Bihar Panchayats have also to their credit the construction of 144 miles of embankments on the banks of *Kosi* and *Boorigandak*.

(2) In U.P., the *Shramdan* (voluntary labour) campaign resulted in a contribution estimated at over Rs. 9,00,00,000 over a period of 5 years.

(3) In Rajasthan, panchayats have executed water supply works worth of Rs. 1,05,16,000 during 1955-56.

(4) In Punjab, a sum of Rs. 3,03,00,000 was contributed by the people in the C.P. and N.E.S. areas. This work has been done almost exclusively through panchayats. According to the State Development Commissioner, panchayats, whatever be their limitations, represent important "implementing units" of the development programme.

(5) Given leadership and unity, what can be done by a panchayat is illustrated by the functioning of Kevadra Panchayat in Saurashtra during the last five years. It has to its credit construction of works for over Rs. 73,000; a multipurpose co-operative society which runs two flour mills, two hullers, one cane crusher; a 40-acre farm for demonstrating improved methods of agriculture; a cow-shed and a studbull; a godown for storing fodder; social education classes; playgrounds for children; water seal latrines; an ayurvedic dispensary and a library. The panchayat collects resources for specific schemes, and functions by allocating its work between its different members.

### III

Apart from its effectiveness in securing popular participation, the panchayat is an urgent administrative need today for the simple reason that it is the cheapest way of getting things done. Despite the strengthening of the district administration with the community project and national extension staff, the "bureaucratic" arrangements would still remain inadequate. A Village Level Worker, for instance, has to cover, on an average, 1300 families for his primary function, *i.e.* agricultural extension. This work has to be concentrated in a few weeks



before the sowing seasons. He cannot, therefore, reach each family without the support of panchayats. The follow-up of extension ideas from day to day can only be looked by a village organisation.

Planning at the village level involves planning for each family as well as for the common needs of the village community and cannot be undertaken without the active assistance of panchayats. They must, therefore, have integrated support of the administration from the Cabinet level down to the field, as in the case of national extension organisation. They should be not allowed to remain the responsibility of the Panchayat Department which does not have either the authority or capacity for the required co-ordination, nor for obtaining technical assistance and integrating the village plans into the district and state plans. The development of panchayats as an effective planning-cum-executive organisations in the hierarchy of district development administration calls for a conscious effort and persistent support on the part of leadership both within and outside the administration. In this connection, the recent Development Commissioners' Conference held at Nainital has recommended that :

“(i) Intensive effort should be made, through strong and competent organisations formed at each level from the Centre going right down to the Block, for the proper development of panchayats and intermediate local authorities as more and more reliance has to be placed in future on these institutions for the furtherance of the community development and national extension programmes. The ultimate guarantee of the permanence of the (community development) movement would largely depend on how well these village and intermediate local authorities are established and made into efficient people's organisations for carrying through their own programme of welfare.

(ii) It is essential that at the State level the responsibility for developing panchayats should vest in the same organisation as is responsible for the developmental programme. The details of the organisation for developing panchayats should best be determined by each State for itself.”

In other words, there is urgent need today for (a) adequate backing of village panchayats by the government, and (b) the location of responsibility for their efficient working in those ministers, officers or departments who by their position can provide the necessary administrative support. The writer ventures to suggest that the Chief Minister at the ministerial level, the Development Commissioner at the secretariat level, and the Collector, the Sub-Divisional Officer

and the Block Development Officer at the levels of the district and below should be responsible for the development of panchayats.

If panchayats have to function satisfactorily as executive bodies, most of the decisions on behalf of the Government should be available to them from the Block Development Officer. The powers of the Deputy Commissioner in regard to panchayats should also be vested in him in a large measure, and the powers and responsibilities exercised at the secretariat level should, to the extent practicable, be delegated to the Deputy Commissioner.

The process of making panchayats effective also involves provision of trained nuclear staff, adequate financial and technical resources, training of panchayat leadership in decision-making and supervision, and mobilisation of people's resources for the execution and maintenance of works and the implementation of other programmes. A major responsibility, therefore, devolves on the Government to build up a pool of from half a million to a million of people's executives at the panchayat level. It is estimated that there will be about 29 lakhs panchayat members when the entire country is covered by panchayats.

#### IV

The various tasks to be performed by panchayats under the Second Five Year Plan relate mainly to community development. It becomes, therefore, necessary (a) to determine urgently the relationship between panchayats and the national extension organisation both at the village and block levels, and (b) to arrange for the training of panchayat executives. These matters have not received adequate attention. There is at present lack of co-ordination and the consequent wastage of human effort and resources. There are no proper arrangements for training of *sarpanchas* and *panchas*\* and panchayat secretaries. The latter have too large jurisdictions ranging from one to 12 panchayats. The activities of the Village Level Worker (V.L.W.) and Panchayat Secretaries have yet to be co-ordinated and it is for serious consideration whether or not the functions of the both can be adequately performed by one and the same individual. If not, what should be their relationship to meet the requirements of integrated village planning and development.

There exist two schools of thought in regard to the relationship between Village Level Workers and Panchayat Secretaries. The first school holds that :—

- (i) The V.L.W. should act as Panchayat Secretary; or

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\* heads and members of Panchayats

- (ii) The V.L.W. should act as development secretary to panchayats (in addition to Panchayat Secretaries); *or*
- (iii) The V.L.W. should act as Panchayat Secretary for his headquarter's panchayat; while Panchayat Secretaries in V.L.W.s' jurisdiction could act as V.L.W.s in their jurisdictions.

According to the second school, the V.L.W. is essentially an extension man. He may advise panchayats but should not get involved in their functioning.

It is generally agreed that, in principle, it would be an effective arrangement to combine the functions of the V.L.W. and Panchayat Secretary in one person, provided a Village Level Worker could be appointed for each panchayat. If the Village Level Worker is not able to take on the full workload of Panchayat Secretary, he should at least be able to act as development secretary to panchayats in his jurisdiction. With his training he would provide executive assistance and advice; as an agent for obtaining State assistance he would command influence; and as a servant of the Government he would be able to maintain his independence. His association with panchayats would also strengthen his own capacity to reach and assist the people.

Against the above view it is argued that—

- (1) Since panchayats have both regulatory and development functions, the association of the Village Level Worker with them would undermine his popularity as an extension man. He may get involved in factions and he may become authoritative in approach.
- (2) The State Governments would be inclined to dispense with the need for appointing Panchayat Secretaries or postpone their appointments to save funds and as a result the Village Level Worker may have to carry the whole load of work as Panchayat Secretary. His jurisdiction may also not be conterminous with that of the panchayat.
- (3) As a development secretary to panchayats, the Village Level Worker may have to carry more load than he can bear. He has, on an average, to attend to 1,300 families as against 500 families, regarded as an adequate load by the Programme Evaluation Organisation. He would not, therefore, be able to carry additional load of work.

In the view of the present writer, there is no reason why the Village Level Worker, concerned only with the development activities

of panchayats and not associated with their regulatory functions in any manner, should lose his popularity. On the other hand, this association would enlarge his reach to assist each family in a concrete manner, both in the formulation of its annual production programmes and later in getting state assistance either through the panchayat or co-operatives. Nor is a Village Level Worker, whose responsibility *vis-a-vis* panchayats would be specifically defined and who would be under the control of the Block Development Officer, is likely to be appropriated by panchayats as a regular Panchayat Secretary. In practice, where Panchayat Secretary is not appointed, the regulatory functions of the panchayat would get ignored, while the development functions of the panchayat would suffer to a lesser extent, without increasing much the load of work of the Village Level Worker. Rather than getting involved in factions, because of his influence and resources for the development work, he would have a constructive role to play. If the Village Level Workers were to act as Panchayat Secretaries at their headquarters alone, there would be a saving of the order of Rs. 2 crores per annum against a total bill of Rs. 11.6 crores for providing the Village Level Workers on the present basis and one Panchayat Secretary for a population of 3,000.

The whole question of the respective roles of the Village Level Worker *vis-a-vis* Panchayat Secretary requires expert study and experimentation. The exact role of the Village Level Worker has not as yet been finally settled. At times, he emerges as a multipurpose agent of administration. At the other extreme is the view that he can even be an extension man (as distinguished from a *liaison man for extension* which of course he has to be). In U.P., a research study of this problem is already under way.

A broad distribution of responsibilities between panchayats and the Village Level Workers and the manner in which they will co-operate would be on the following lines :

Panchayats would call the representative of each family of the village and invite the chairman of co-operatives. The Village Level Worker will assist this assembly to obtain an over-all assessment of the felt needs of the village community; explain to them, on the basis of surveys and other technical guidance he has received, the priorities and the scope for the schemes that could be taken up during the coming season and the state aid available; prepare schemes; make an estimate of the requirements of the short term credit and supplies for the seasonal programme; put forward new ideas for experimentation or introduction during the season; obtain offers for experimentation; and prepare the over-all plans for the season, both in the production sector as well

as for local works programme based on the idle man-hours available during the period. It will be the joint responsibility of panchayats, the chairman of co-operatives and the Village Level Worker to explain the manner in which the co-operative movement would assist them individually as well as collectively and then frame the programme for the formation of co-operative societies or for increasing the membership of co-operatives. The chairman of the co-operatives will also thus be able to assess the extent to which he can expand his organisation and organise either short term credit or supplies on an assured basis. The Village Level Worker would be paying periodical extension visits to villages. Both panchayats and the Village Level Worker can make use of these visits to check progress in actual implementation of the village plans as well as to ensure timely provision of facilities or assistance which the Village Level Worker has to procure for the purpose.

Co-ordination between panchayats and the Village Level Worker, as envisaged above, would require that Panchayat Secretary should be trained as an office clerk-cum-accountant and also as assistant to the Village Level Worker. His training should, therefore, be co-related with the training of the Village Level Worker in order to enable him to render effective help to the latter.

A major function of the administration at the Block level should be the training of panchayat executives. The main instruments for training should be (a) the process of working out village plans, (b) seminars for training *sarpanchas*, more or less on the lines of the orientation training given to Block Development Officers, and (c) the use of Block Advisory Committee which should, as recommended by the Nainital Conference of Development Commissioners, have on it representatives from each panchayat. The primary objective of the Block Development Committee is to secure the participation of the people in development administration of the area. These Committees should, therefore, function not in an *ad hoc* manner as they generally do at present, but as a special phase of a clearly thought-out process of communication of ideas and experiences between the administration and the people, for co-ordination and consideration of the decisions of village planning units and for follow up on the execution of development plans. Their meetings should be preceded by, followed or merged in, seminars which may last 3-4 days at a time to train panchayat executives in regard to the specific programmes to be undertaken in the season.

Thus, in about three years, *sarpanchas* would secure very purposeful training for about a month at very little cost to the Government and at little inconvenience to themselves.

## V.

A fuller development of panchayats will not be secured by administrative arrangements alone. These arrangements, at the present stage, have to be initiated without adequate knowledge of social stresses and strains, economic and cultural forces, the talent or lack of talent thrown up by panchayat elections, and the scope that the available resources—material and human—provide for activity and initiative and, therefore, for growth. The possible impact of each of the above factors requires to be studied carefully. Here, the experiment initiated by the All-India Village Industries and Khadi Board under their intensive area scheme, (which is being taken up in responsive rural areas where constructive workers of standing are available for organisation) deserves to be watched. The two important features of this experiment are :—

- (a) An assessment of the existing use of resources, both material and human, and the presentation of a potential realistic picture of the future to the people.
- (b) The main assistance to be given by the Board will be for training people either in new skills or in improving their existing skills.

The expectation is that the enlightened self interest, invoked by the presentation of an integrated picture of the future in terms of production, consumption, relief from drudgery, employment, etc. would motivate both the individuals and the community to sustained effort at a somewhat higher technological level.

No objective study or research has as yet been made in regard to workloads—regular, seasonal, and *ad hoc*—which would result from the assumption of the various development functions by panchayats. There is also the need for evaluation of “what in fact happens on the field”. Suitable operational studies should be organised to find out what changes in the existing legislative framework, rules and regulations, structure, administrative practices, training methods and the nature and form of assistance are required to develop in panchayats capacity to undertake the new manifold tasks.

It is equally important to lay down a specific period (say, 7 to 10 years) within which panchayats should be developed to their full stature and strength, as an integral part of administration.

Whatever the administrative arrangements, the success of panchayats would ultimately depend on the opportunities they get and create for activity and initiative. By the same token the success of the administration, and in particular of the national extension and

community project organisation, will be tested by the extent it succeeds in integrating its programmes with those of panchayats. In the First Five Year Plan, the attitude of the community project and national extension organisations varied (quite understandably) from apathy and hesitation to confidence in panchayats. Where confidence and faith were shown and administrative backing provided, the results have been certainly better and should be more lasting. We have yet to see a firm beginning of the 'self generating' process of development. If prompt steps are taken to break up the state plans into district plans and if all the sources of assistance (about Rs. 45 crores in the community project and national extension budgets, Rs. 15 crores for local development works, Rs. 14 to 28 crores for rural work supply and provision for rural roads, minor irrigation, irrigation channels, rural sanitation and education) are brought together and necessary administrative measures taken, there would be ample scope for local activity and initiative. It would be equally necessary to implement, in actual practice, the recommendation of the Planning Commission for providing financial and other resources to panchayats.

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"The effect of the people's agreeing that there must be central planning, without agreeing on the ends, will be rather as if a group of people were to commit themselves to take a journey together without agreeing where they want to go : with the result that they may all have to make a journey which most of them do not want at all."

—FRIEDRICH A. HAYEK  
(in *'The Road to Serfdom'*)

# THE REORGANIZATION OF THE NASIK COLLECTORATE

M. R. Yardi

*[The important part played by the Collector in the administrative system of this country needs no explanation for our Indian readers. The whole system of administration is based on the district as a unit. The head of each district is a senior officer and functions as the "Collector" (of revenues and other government dues), the "District Magistrate" (responsible for the maintenance of law and order), and the "District Officer" (responsible for general supervision, control and guidance of development programmes, i.e. education, health agriculture, national extension, community projects, etc.). The office and the staff under the Collector are generally referred to as the "Collectorate". It is easy to see how the success or failure of district administration depends on the efficiency of the Collectorate. Many of the States have made special investigations, from time to time, into the working of district administration. We give elsewhere a summary of a recent such investigation conducted in U. P. The present article gives a short account of an attempt made by the writer in his capacity as a District Collector to improve the efficiency of the Nasik Collectorate.—Ed.]*

UNTIL about two years ago the organization of the Office of the Collector of Nasik conformed generally to the pattern obtaining in other Collectorates. This Office was reorganized and an Organization and Methods Unit constituted in August, 1954, with the twin objects of preventing delays and ensuring efficiency. The Inspection and Organization and Methods Section of the Government of Bombay reviewed the working of the reorganized Collector's Office in the month of May, 1955, and recommended to the Collectors of six other Districts to reorganize their offices on similar lines on an experimental basis. This article attempts to discuss briefly the main features and results of this reorganization.

## II

In order to appreciate fully the scope and extent of the reorganization, it is necessary to have a clear picture of the layout of the Office as it existed previously. In the pre-war days, the Office consisted of three branches, viz. (1) Revenue, (2) Home and General, and (3) the Accounts Branch forming part of the Treasury. The post-war problems of equitable distribution of necessities and essential



commodities and of the resettlement of demobilised soldiers led to the addition of two new branches : (4) Supply Branch and (5) Office of the District Soldiers', Sailors' and Airmens' Board. The emphasis on development and welfare work, which necessitated the increasing association of administrators with the people's organisations, was responsible for the establishment of the District Rural Development Board since reconstituted into a District Development Board with the Collector as its President. Although despatch work was centralised for the whole Office, typing in each branch was done separately by a typist or typists attached to the branch.

The old set-up suffered from two major shortcomings :

*Firstly*, distribution of work among the clerks and branches was made subject-wise without regard to the workload devolving on them. A census of receipts in the Collector's Office disclosed that about 47% of the receipts were received in the Revenue Branch, consisting of one gazetted officer, one *Aval Karkun* and eight clerks as against the office's total strength of two gazetted officers, nine *Aval Karkuns* and nineteen clerks. Such an unequal distribution of work was one of the main causes of inefficiency and delays in disposal. *Secondly*, besides its normal work which was heavy, the Revenue Branch was also responsible for carrying out office inspection and *Jamabandi* (annual settlement of revenue) of some *taluka* (Tahsil) offices. For this purpose the whole of the Revenue Branch used to be out on tour for about ten days in each month during the dry season, thus causing a good deal of dislocation of the work at the headquarters. The Branch could not, therefore, pay adequate attention to the inspection work; nor could it keep an effective watch on the compliance with directions recorded in the inspection notes. Thus, though *Jamabandi* and inspection are important functions of the Collector's Office, the way they were carried out was not calculated to improve the tone of the district administration.

### III

To overcome the shortcomings referred to above and to streamline its structure for purposes of swift action the Collector's Office was reorganized and divided into units, each consisting of four clerks and one *Aval Karkun*. The revised layout did not affect the Supply Branch and the Office of the District Soldiers', Sailors' and Airmen's Board, which are temporary departments. After the separation of Treasury, the Accounts Branch has also been constituted into a separate unit under a Deputy Accountant. The *Aval Karkun*, who is a qualified and experienced clerk, is in charge of the unit and occupies a pivotal position in the reorganized set-up. The filing system in use in

the Collectorate is based on a division of the correspondence into a number of broad subject-headings called "compilations"; each compilation is then broken up into individual files according to the detailed subject-matter or items of work dealt with. In order to achieve an equitable distribution of work among individual clerks and heads of branches, the compilations handled in the Collector's Office were listed under two categories: 'major' and 'minor' according as the work was heavy or light. These compilations then were so allotted to the clerks that no clerk had to handle more than one major compilation. As far as possible, homogeneous subjects have been allotted to units, keeping in view the need for equitable distribution of work among *Aval Karkuns* and heads of branches. The typing work is now centralised in a typing section, which along with the two clerks handling despatch, has been constituted into a Typing and Despatch Unit.

Under the reorganization, an Organization and Methods Unit was created for looking after the normal O & M work. The task of inspecting the *Jamabandi* work and the *Taluka* offices has also been made over to the O & M Unit; but the inspection squads are strengthened by addition of clerks borrowed from other dealing units. For example, the squad for inspection of one of the *talukas* consisted, apart from the *Chitnis*, the Assistant *Chitnis* and the three members of the Organization and Methods Unit, of six clerks including the Record Keeper drawn from three sections. While such a composition of the squad ensures the necessary expertise and knowledge of the case law, the work done under the former Revenue Branch does not, under the present arrangement, come to a standstill. The squad has also been instructed to take with them delayed cases pertaining to the concerned *taluka* for purposes of disposal on the spot. The organizational layout of the Collector's Office before and after the reorganization is shown in the charts at pp. 45-46.

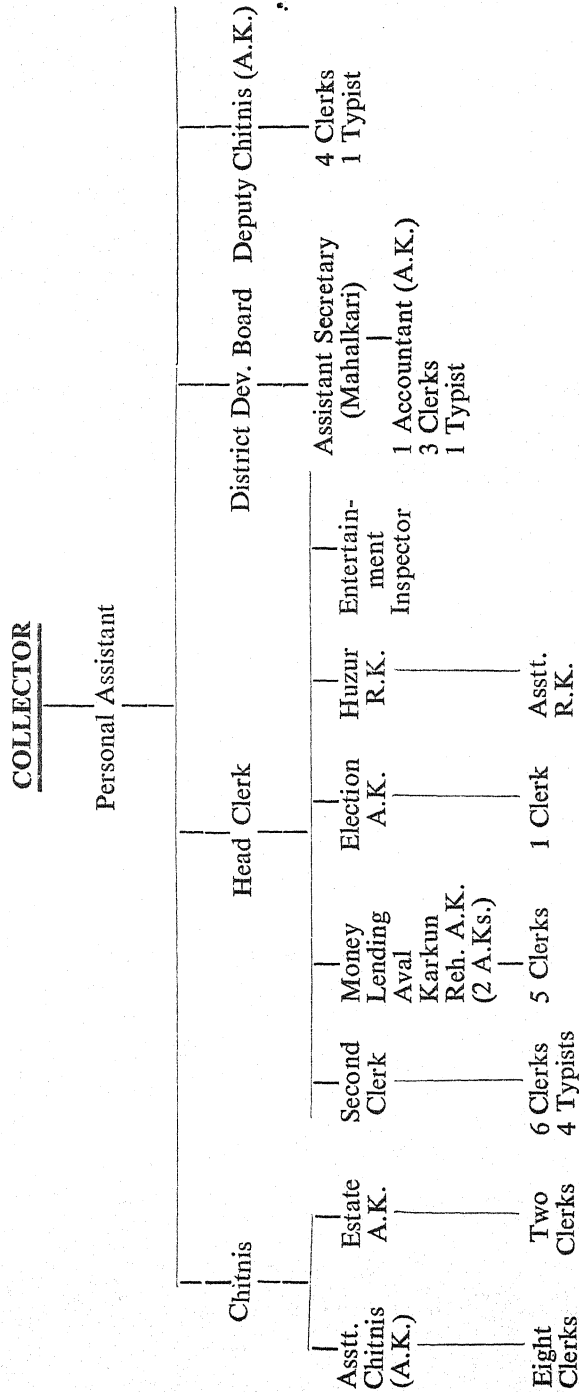
#### IV

The O & M Unit has done some useful work in methods analysis and issued comprehensive instructions to set right some of the main causes of delay such as loss of papers, improper handling, procedural defects, etc. An attempt has also been made to mechanise office procedure so as to reduce workload and to improve quality. The important defects which have come to the notice of the O & M Unit and the reforms recommended or introduced in each case are summarised below for the benefit of other Collectorates :

##### (1) Faulty Allocation of Duties and Responsibilities

In order to create in every member of the staff a sense of responsibility and a feeling of participation and to eliminate

**The Organizational Layout of the Collector's Office, Nasik  
(Before Reorganization)**



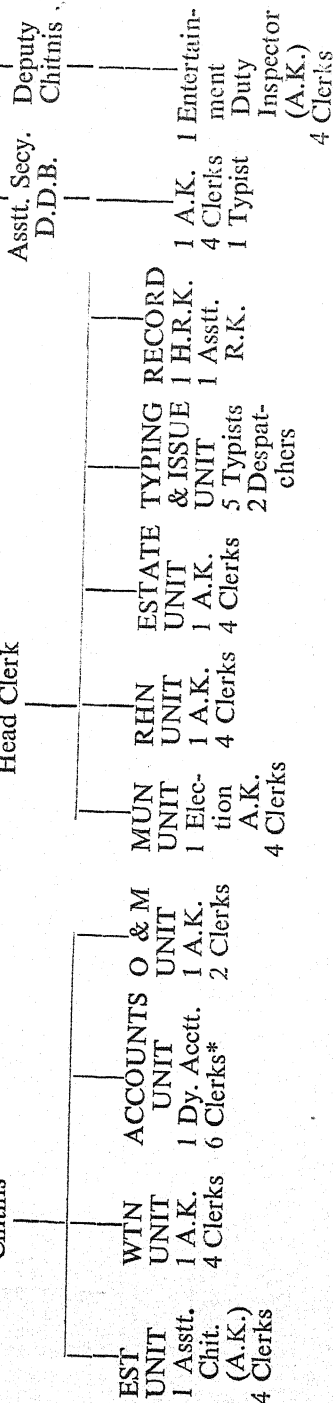
# The Organizational Layout of the Collector's Office, Nasik (After Reorganization)

## COLLECTOR

Personal Assistant

Head Clerk

Chitnis



\* After decontrol, Supply work has been temporarily put under the supervision of Deputy Accountant.

overlapping of functions, excessive concentration of authority, and disparities in workload, the duties of clerks, *Aval Karkuns*, heads of branches and officers have been properly defined. With a view to encouraging a sense of responsibility, it has also been laid down that every officer on transfer should hand over complete charge of the cases pending with him.

## (2) Defective Co-ordination and Control

### (i) Co-ordination :

Monthly co-ordination meetings of the senior officers in the Collectorate are now held under orders of Government to discuss delayed and complicated cases. A separate meeting of the executive agencies is also held to discuss the progress of development programmes. These meetings are usually held on the 3rd and the 4th of every month when all officers are generally expected to be at the headquarters.

### (ii) Internal Control :

Internal control over the staff in the Collector's Office is secured by a scrutiny of abstracts of weekly disposal and monthly inspections of the work of clerks and *Aval Karkuns*. The *Aval Karkun* has to put up on every Monday (1) on a prescribed proforma an arrears' list for each clerk under him, and (2) a weekly abstract showing disposal of 'await' cases. Scrutiny of abstracts gives an idea to the Collector about the cases pending over a fortnight, handling of fresh receipts, issue of reminders, disposal of 'await' cases and the average rate of disposal of work for each clerk. These two weekly abstracts are sufficient to enable any inspecting officer to assess properly the workload and turnout of a clerk.

The *Aval Karkun* is held responsible for carrying out the inspection of office files and records once a month. The Branch officer (corresponding to a superintendent) is directed to inspect *daftars*\* of at least two clerks who are heavily in arrears. The inspecting officers are required to give proper instructions to clerks for final disposal of complicated cases. A questionnaire form has been devised for these inspections. The inspecting officers have to record their remarks regarding the work of a clerk on separate slips of papers so that these can form a basis of annual confidential reports.

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\*office files and records

(ii) *External Control :*

Better control over subordinate offices is now secured partly by improvement in the system of annual inspections which have been in vogue for a long time and partly by monthly visits of officers from headquarters.

The following instructions have been issued for carrying out the inspections of outside offices :

The Inspecting Squad should draw notes on important matters of routine procedure corrected on the spot. The notes should be helpful to the subordinate officers.

There should be one complete intelligent note on each procedural defect or any irregularity instead of a repetition of the same point on similar but different matters.

The Inspecting Squad should arrange the inspection notes in the following order :

Assessment of work of every member of the staff.

Establishment matters.

Procedural irregularities.

Delays in disposal.

Account matters.

Record Room.

Implementation of O & M orders.

Miscellaneous.

A meeting of village accountants is usually held in each *taluka* every month at which the *Mamlatdars* take a review of pending work and issue instructions to the village and circle staff. Each *taluka* is now visited by a gazetted officer from the headquarters who takes along with him a list of cases in the Collectorate or in the Sub-Divisional Office pending over a period of one month. The officer tries to get these cases disposed of on the spot and also verifies whether the O & M orders are being carried out. Each visiting officer has to submit an account of the proceedings of the meeting, in the prescribed proforma, for the Collector's perusal.

(3) **Defective Scrutiny, Noting and Drafting of Reports and Orders**(i) *Scrutiny :*

Stress is laid on the proper handling of cases and

applications at the initial stage so as to avoid back references and tossing of cases between offices. The noting on cases in the Collector's Office and orders, and reports of the subordinate officers, were found to be too sketchy to decide the questions at issue. To remove the defect it has been prescribed that :

(a) If the applications are not accompanied by relevant documents or not properly stamped, they should be returned to the applicants without any further action for remedying these omissions.

(b) No information should be called for from other offices if the information could be gathered with some extra effort in the Collector's Office from the district forms or from the office of the District Inspector of Land Records.

(c) Letters, complaints, petitions should not be sent to field officers for report or information only with routine endorsements. They should be studied carefully at the initial stage and the points on which the information or a report is required should be stated clearly in the forwarding endorsement.

*(ii) Noting :*

Noting should be brief and to the point, stating (1) the point at issue; (2) the circumstances leading thereto; and (3) the law, rule or an order applicable in the matter.

*(iii) Reports :*

Reports in complicated and bulky cases should be self-contained, giving briefly the facts of the case, the points at issue, discussion of the merits of the case and the opinion or recommendation of the reporting officer. When files accompany such reports, the papers should be properly assembled, paged and references to the relevant pages given in the margin of the report.

*(iv) Orders :*

No order, statutory or otherwise, should be issued in the form of an endorsement. Orders should be self-contained, starting with a brief and clear statement of facts and ending in a clear decision or direction.

*(v) Ancillary Issues :*

When some ancillary issue crops up in any case, a fresh correspondence should be started so that the original issue does not get side-tracked. A copy of the order passed in

initiating the ancillary issue should, however, be kept with the original file.

#### (4) Unsystematic Disposal

One of the main reasons for delay was found to be unsystematic disposal. Cases were not dealt with in the order in which they were received. Instructions have, therefore, been issued to dispose of cases chronologically with due regard to urgency. If any complicated cases cannot be disposed of as they are received, they are taken up on Saturday which is earmarked for the disposal of arrears pending over a fortnight. In order to enable the clerk to do this, the non-urgent incoming mail of Saturday is distributed on Monday. Arrears, *i.e.* cases ripe for action pending over a fortnight with any clerk, are reported in the weekly abstract which provides a good index for judging the clerk's work.

It is generally expected that an 'await' case, *i.e.* a case which cannot be disposed of until receipt of information or report from a subordinate or an outside office or offices, should be finally closed within a period of three months. The revised instructions now indicate how and when reminders should be sent and at what stage a delayed case should be brought up for discussion at the 'co-ordination meeting' or at the meeting of the *Prant* Officers. In order to check delays and tossing of cases, a sheet is to be attached to each 'await' case to show its movement from the date of its commencement.

With a view to avoiding frequent back references, cases of similar type and of frequent occurrence have been studied and forms have been prescribed for obtaining information from subordinate offices. The field officers have been supplied with these forms so that they can supply all the information required for the issue of final orders. In order that the clerk may not miss any important point, the forms in which the noting should be done have also been laid down.

Touring officers have been requested to take with them delayed and complicated cases at the time of their visit to a *taluka* or a village. Cases which are especially delayed and complicated are expected to be disposed of by them either during these visits or at the monthly staff conferences.

#### (5) Inadequate Watch over Usually Delayed Cases

In order to avoid delays in important and usually delayed cases, watch registers have been maintained. A consolidated



register of appeals is thus maintained by the stenographer to the Collector. In land acquisition matters which are usually delayed, a title sheet has been devised which shows, at a glance, time and action taken for the disposal at each stage. A watch register for the disposal of legislative questions is maintained with the *Aval Karkun*, Organization & Methods Unit, for the whole office, who has to bring to the notice of the Collector the position of arrears every Monday.

An *Aval Karkun* of each unit has to maintain a consolidated abstract of periodical returns and keep a watch over the punctual submission of such periodical returns.

#### (6) Frequent Loss of Papers

Before the reorganization, cases of loss of papers and correspondence used to occur frequently and many cases have had to be started *de novo*. Detailed instructions have now been laid down for the distribution of *tapal* (incoming mail). The new procedure ensures that the important post is seen by a gazetted officer who opens it and sends it for perusal of Collector and the Personal Assistant to the Collector. *Tapal* is then collected by the *Aval Karkun*, Organization & Methods Unit, or in his absence by some other *Aval Karkun* who sorts it out unit-wise and makes a note in a special register of the number of references sent to each unit. *Tapal* in the unit is received by a clerk who writes the worksheets for all the clerks so that the inward registration is now done independently of the noting clerks.

To obviate the difficulty in fixing responsibility for the loss of important cases, it has been laid down that important documents and communications such as confidential sheets, service books, pension papers, surety bonds, licences, etc. should be invariably sent by the registered post acknowledgement due.

#### (7) Defective Filing and Recording

The common defects in this sphere were :

- (1) Improper filing of papers which made a subsequent search difficult;
- (2) Dumping of live and unsorted cases in the record room after every clearance drive; and
- (3) Irregular despatch of closed cases for filing.

A form of a title sheet has been devised, showing the particulars of classification according to the A B C D list, subject-matter,

closing number, date, etc. It is to be affixed with each filed case when it is sent to the record. The record clerk is forbidden to accept any files to which such slips are not attached. A *ferista* (list) of all the documents sent for filing has also to be prepared by the clerk concerned. The record clerk cannot accept any papers direct from a clerk. Before he accepts any papers for filing, he has to make certain that the Mamlatdar/Branch Officer or the *Aval Karkun* has certified, for each reference, that it should be finally closed. He has also to see that all the papers due for filing are received before the 5th of each month.

'D' papers which are due for destruction after a period of one year have to be shown to the head of the branch/office who goes through them carefully and gets them destroyed in his presence.

## V

The results of the reorganization of the Nasik Collectorate in terms of work efficiency have been more than satisfactory. Not only has the speed of disposal increased but the quality of work has also improved. The officers are getting into the habit of disposing cases in the chronological order, as the arrears pending over a fortnight have been reduced from 728 in August, 1954, to 84 in July, 1956. It has come to notice that most of these cases are delayed over a fortnight only when some of the clerks are on casual leave or go out for inspections. As against the total number of 1849 references pending in August, 1954, there were only 900 in July, 1956, a reduction by more than one half. Further, in the month of March, 1956, the 'awaits' were reduced to 1/3rd. The rise in the 'awaits' thereafter was due to the fact that a number of clerks in the Collector's Office went on leave for taking University examinations and were replaced by new hands.

The general satisfactory position in disposal is not in any way due to a reduction in the receipts and the workload in the Collector's Office. The total number of receipts during the revenue years 1954-55 and 1955-56 were 1,46,784 and 96,811 respectively as against 1,12,842 in the year 1953-54. Similarly, the total number of 'await' cases disposed of during the revenue years 1954-55 and 1955-56 were 7,462, and 6,253 respectively as compared with 6,562 cases in 1953-54. The percentages of total number of arrears pending over two months to the total number of 'awaits' came to 15.9 in 1954-55 and 15.7 in 1955-56. These percentages furnish, to some extent, a quantitative measure for efficiency audit.

## THE DEVELOPMENT OF STATE TUBEWELLS

*S. T. Raja*

**I**NDIAN agriculture has always been at the mercy of the uncertain Monsoon. The provision of a regular and dependable supply of water needed for growing crops has therefore been a pressing problem for all governments throughout the nation's history. Multipurpose river valley projects and other large and small schemes of reservoir and canal irrigation have accordingly found a prominent place in the First and Second Five Year Plans. Another method which has been brought into play consists of the development of a network of tubewells, operated by electricity.

The implementation of the tubewell programmes can legitimately be considered one of the important administrative achievements of the First Five Year Plan. The Plan provided for the construction of 4,000 tubewells up to 31st March 1956 but the Plan targets were exceeded by 40%, the number of tubewells actually constructed being 5,600.

Tubewell construction first started in India sometime in 1931 mostly with the help of manual labour and hand drilling equipment which took nearly 2-3 months to complete one well. Between 1931 and 1950 about 2,000 such wells were constructed mostly in U.P. Tubewell construction in other States was not taken up perhaps because adequate hydrological data regarding groundwater resources was not available at that time.

'Why State-owned tubewells?' one might ask. The simple answer is that the cost of tubewell including electric supply is as much as Rs. 50,000 to 60,000 which is generally beyond the capacity of an individual or a small group of farmers to find. Between 1948 and 1950, the food situation became very serious and the Government of India decided to take emergency steps, including minor irrigation, in order to increase food production within the shortest possible period. This was the genesis of the tubewell programmes of the First Five Year Plan which were considered the largest ever undertaken by any country in the world. Even a country like the United States has not launched a programme of such a magnitude in respect of State-owned tubewells. It might be interesting, therefore, to study how a country like India with the limitation of men, machinery and experience, planned and executed the tubewell programmes, what were the difficulties encountered

in its implementation and what steps were taken to overcome these difficulties ?

## II

The construction of tubewells involves three distinct phases, namely:

- (1) Construction of a tubewell up to the installation of the turbine pumpset including the drilling and development of the well;
- (2) Construction of civil works such as pump-house, cement-lined channels and operators' quarters; and
- (3) Laying down of transmission lines including the installation of the transformer and the switch gear.

Each of these phases has to be executed by a different agency and still synchronized in such a way that one follows the other in rapid succession. The first and the third phases also involve procurement of materials such as pipes, pumps, motors, insulators, starting switch gears, copper conductors, etc. A good deal of this material had to be ordered from foreign countries and had to reach the tubewell sites at the appropriate time.

The problems required to be tackled for the implementation of the project were, therefore, as under :—

- (a) Selection of suitable areas for construction of tubewells after ensuring that they were not likely to come under flow irrigation within the next 10 or 15 years. This was made by joint teams of Government of India and State experts visiting the proposed tubewell region, studying groundwater conditions and recommending suitable areas.
- (b) Assessment of the drilling equipment and personnel available in the country in order to determine what part of the project would have to be executed through foreign firms. The number of tubewells to be constructed through contractors and their technical specifications were worked out by Central and State experts.
- (c) Drawing up of a type of contract which would be acceptable to the foreign firms and at the same time fulfil certain principles and policies of the Government of India in such matters. A fixed price contract for a standard tubewell with provision for variations was drawn up by the Ministry of Food and Agriculture in consultation with all concerned Departments and States.

- (d) Preparation of a list of materials together with proper specifications required for construction and energization of tubewells. This involved over 50 items of different types including large thermal units and diesel generating sets.
- (e) Drawing up of a time-schedule for the various phases of the tubewell programme with proper synchronization of the contractor's work with the programme of civil and electrical works to be executed by the State Departments of Public Works and Electricity.
- (f) A continuous and close co-ordination had to be maintained with the Ministry of Finance, the Ministry of Commerce and Industries, the Ministry of Works, Housing and Supply and the Technical Co-operation Mission of the U.S. Government. The State Departments of Irrigation, Public Works and Electricity and the various contractors were also continuously in the picture as the field agencies implementing the project. The necessary co-ordination was achieved mostly by personal contacts, inter-departmental meetings, and periodical conferences with the State Governments both in Delhi and in the State capitals.
- (g) Clearance of bottlenecks arising from time to time regarding payments, shipping, rail transport, interpretation of the contracts, etc.

Although the total cost of the tubewell projects in the First Five Year Plan was more than thirty crores of rupees, they were classified as "minor irrigation schemes", the implementation of which would normally be left to the State Governments subject to the over-all 'grow more food' policies and programme and of the Government of India in the Ministry of Food and Agriculture. In view, however, of the limited experience and technical services available with the State Governments in the field and also due to the participation by other agencies like the Technical Co-operation Mission of the U.S. Government, the Central Ministry of Agriculture played an unusually active role in the implementation of the projects. Tenders for the construction of tubewells by private agencies were actually prepared in the Ministry of Food and Agriculture in consultation with the Chief Engineers of the participating States and invitations for bids were also issued from that Ministry. Similarly, complete lists and specifications for materials required by the State Governments for construction and energization of tubewells were prepared and tender notices for their procurement

also issued from the Government of India. When the offers were received both for construction and supply of materials, they were examined by the technical experts of the Central Ministry, and where necessary, the Chief Engineers of the State Governments were also consulted. Recommendations for placing contracts and orders were then made to the State Governments by the Ministry of Food and Agriculture, with the concurrence, of course, of their associated Finance, and contracts signed and orders placed by the State Governments on this basis.

The procedure of joint purchases through a common agency providing the necessary technical guidance and prompt handling, was very much appreciated by the State Governments. Not only did the procedure ensure all the benefits of collective bargaining to the participating States but it also led to quicker decisions and considerable economies in purchase-costs and periods of delivery. It became possible even to reduce further the lowest acceptable quotations in many cases and the economies thus secured were worked out at an estimated figure of nearly rupees one crore in terms of prices alone, to say the least of the saving in time.

### III

Sir Basil Embry, in his talk on the B.B.C. on the subject of "The Man of Action in Modern Society" has quoted Lord Milner as having said that "the way to get things done is to choose a man and back him". This is precisely what was done by the Ministry of Food and Agriculture as soon as it embarked on the tubewell programme. In November 1953, a full-time Administrator for tubewell projects was appointed with the necessary powers, technical advisers and Secretariat staff. He was charged with the responsibility of having all the projects executed in time and of taking whatever steps he considered necessary for this purpose, subject, of course, to Government rules and regulations. He functioned both as an executive and a Secretariat Officer and maintained close personal and official contacts with the various participating agencies. He was not only required to push ahead with the projects at the maximum speed but to see that no bottlenecks were allowed to develop at any stage all along the line, and, for this purpose, to keep a close watch on the progress of the various phases of tubewell construction.

At the level of the State Government, the Irrigation Departments looked after the construction of tubewells up to the installation of pumpset and motor and construction of pump-houses and channels.

The Electricity Department undertook the laying down of transmission lines and the connecting of the tubewells with electric power. Where electric energy was not readily available, the Departments also undertook the installation of thermal and diesel generating sets provided under the project. The proper synchronization of the activities of the two Departments was achieved by setting up committees of their Executive Engineers in charge of field operations.

The co-ordination at the higher level was done by the Chief Engineers concerned and the Tubewell Projects Administrator. The main participants in the programme were :—

- (a) The foreign firms of tubewell contractors;
- (b) The State Chief Engineers and Secretaries in charge of Irrigation and Electricity Departments;
- (c) The technical and administrative experts of the Technical Co-operation Mission of the U.S. Government; and
- (d) The representatives of the different Ministries of the Government of India.

The Tubewell Projects Administrator served as the common link between the participating agencies. Their working together in close collaboration and their common participation in a nation building programme of this nature developed bonds of mutual appreciation and confidence in each other which transcended all narrow considerations of Central and State jurisdiction or official and unofficial status of the participants.

#### IV

Another important aspect of the tubewell programmes was the training of personnel in the operation and maintenance of the latest type of mechanized rotary rigs and other equipment used in the project. The State Governments concerned selected 6 trainees for each rig at the rate of 2 trainees per shift of eight hours from among engineering diploma holders, graduates or matriculates with mechanical bent of mind. The contracts with the foreign firms stipulated an intensive programme of approved training for six months to each batch and the payment of a stipend by the contractors during the training period. A certificate of merit was given to each trainee on the basis of his performance and many of them were absorbed either by the contractors or by the State Governments in the tubewell programmes. This training programme has yielded very good results. Nearly two to three hundred trained people are now available as Assistant drillers;

drillers, drilling supervisors, etc. Many of them are also being absorbed by the Atomic Energy Department, the Geological Survey of India, the Oil and Natural Gas Commission of the Ministry of Natural Resources and Scientific Research and the Ministry of Production, in connection with the various projects requiring drilling operations. Even for executing the tubewell programmes of the Second Five Year Plan it would not be necessary to rely on foreign technicians for these operations. The tubewell projects of the First Plan have given considerable fillip to the indigenous industries for the manufacture of turbine pumps, motors, transformers, insulators, switch gears, etc. Besides offering avenues of larger employment to the people, this development has enabled the Government to rely for the Second Plan almost entirely on the indigenous drilling equipment, materials, and technical personnel. The only two items of imports now required are casing pipes and insulators. With the plans already under implementation, it should be possible within the next two or three years even to get these items in adequate quantities within the country.

## V

A tubewell with a discharge of about 35,000 gallons per hour, *i.e.* about a million gallons per day, irrigates about 300 to 400 acres of land and costs about Rs. 50,000 to 60,000. It gives the same service as nearly 80 surface wells but at a smaller capital cost. Besides, the surface wells usually dry up quickly in conditions of drought or scarcity when the water is most needed. The tubewell provides insurance against this hazard. Another important advantage of the tubewell projects has been the tremendous fillip that they have given to the rural electrification programmes. With the countryside dotted with thousands of miles of transmission lines linking the various tubewells, it has been possible to electrify a large number of villages in the U.P., Punjab and Bihar. Power which is widely distributed for running the tubewell pump is also incidentally available for promoting the growth of rural small industry. This provides a solution to the problems of under-employment and drift to the city. The area likely to come under tubewell irrigation under the First Five Year Plan was estimated at 2 million acres. Similarly, out of the 9 million acres proposed to be brought under minor irrigation under the Second Plan, nearly 1 million acres are expected to be irrigated by 3,000 tubewells. The additional food production, even on a conservative basis of 1/5th of a ton per acre, would come to about 340,000 tons under the First Plan and nearly 200,000 tons under the Second Plan.



The following table gives the number of tubewells constructed in the different States and the money spent on them under the First Five Year Plan.

Name of State	Tubewells planned	Tubewells constructed	Loans advanced by Government of India (in Lakhs of Rs.)	Additional area brought under irrigation (in thousands of acres)	Additional Production (in tons)
Uttar Pradesh ...	2,390	3,000	1,533	1,200	1,80,000
Bihar ...	1,026	685	374	274	41,100
Punjab ...	281	932	[429] [125]	373	55,920
Pepsu ...	nil	597	378	239	35,820
Bombay ...	nil	400	210	160	24,000
Total ...	3,697	5,614	3,049	2,246	3,36,840

The cost of tubewell irrigation is naturally higher than that of flow irrigation because water has to be lifted through large turbine pumps with the help of electric power. It is sometimes argued that the cost of irrigation from tubewells is so high that the farmers find it difficult to utilize them fully. There is truth in this statement only to the extent that in areas where canal irrigation as well as tubewell irrigation are available, the former costs less. Tubewell irrigation involves, besides the capital cost, the recurring cost of pumping water with electricity and the cost of an operator. Nearly ten units of power are required to pump 35,000 gallons per hour. Even if the cost of power is as low as 1.5 annas per unit, the other standing charges, including depreciation, work out to another two annas per unit on the basis of a total working of about 5,000 hours per year. If, therefore, a total charge of three annas and six pies per hour is levied by Government, it would cost the farmer about Rs. 2-3 for 35,000 gallons of water, i.e. one rupee for 15,000 gallons on volumetric basis. When compared to the present rates for canal irrigation, this rate is substantially higher as will be clear from the following comparative statement :—

State	Canal water rate per acre			Tubewell water rate per acre		
	Rabi	Kharif	Sugarcane	Rabi	Kharif	Sugarcane
	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.	Rs. a.
Uttar Pradesh ...	12 0	8 0	32 0	12 0	16 0	33 0
Bihar (South) ...	5 0	10 0	18 0	8 0	15 0	33 0
(North) ...	4 0	8 0	10 0	8 0	15 0	40 0
Punjab ...	6 6	6 0	16 8	15 0	20 0	41 8

The above disparity between the water rates charged for flow irrigation and tubewell irrigation does lead to a certain amount of discontent. A farmer in one village or part of the village drawing water from a tubewell pays almost twice as much to the Government than his neighbour in the same or adjoining village using canal water. In neither case does the cultivator contribute any capital expenditure to the cost of the project although the intrinsic worth of his land goes up substantially as a result of perennial irrigation provided. It has been suggested that the solution may be found, first of all, in charging a betterment levy from the farmer in suitable instalments which he would be in a better position to pay as a result of increased production. The balance of the cost and recurring charges could be recovered by charging a uniform water rate, calculated after pooling the cost of providing irrigation by both methods. Although the U.P. Government have not yet levied a betterment cess, they have tried to solve the problem more or less on the basis of pooling. They have raised the rates of canal irrigation and given substantial concessions in the rates of tubewell irrigation.

A similar recommendation has been made to the other State Governments and once this policy is accepted by them, there would be no difficulty in fully utilizing and operating the tubewells for the benefit of hundreds of thousands of agriculturists who have no hope of getting canal water to their lands within the foreseeable future. In fact, the obvious superiority of a tubewell over other sources of minor irrigation and considerable publicity and propaganda done by the Government of India and the State Governments have already demonstrated the tubewells as a popular and economic source of 'minor irrigation'. In order to ensure proper and timely distribution of water from the tubewells, it would be desirable to associate small advisory committees of the participating agriculturists with the operation and administration of a group of tubewells in a given area. This could more easily be done in the tubewells situated in the National Extension Service Blocks and Community Projects which have more than half the number of tubewells already constructed under the First Five Year Plan.

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"Bureaucracy is the means of carrying 'community action' over into rationally ordered 'societal action.' As an instrument for 'societalizing' relations of power, bureaucracy has been and is a power instrument of the first order."

—MAX WEBER

(in '*Bureaucracy*'—*Essays in Sociology*)

## EDITORIAL NOTES

This first issue of Vol. III of the *Journal* comes out early in the third month of the first quarter of the year rather than after its close, as was the practice in the past. The future issues of the *Journal* will be available to our readers in the first month of each quarter.

Simultaneously with this issue, we release a monthly *Newsletter* as a separate publication. At present there is no regular means, for each State in India, to be fully and quickly informed of all that is being done in the field of public administration in the other States and at the Centre. The *Newsletter* will, we earnestly hope, fill this gap. The news section in the *Journal* will, nevertheless, continue in its present form.

In addition to the already existing features, this issue contains a list of selected Government publications recently added to the Institute's Library.

At a time when the whole country is in the midst of the second general elections, we are happy to include in the present issue a contribution on "Election Administration in the United States" by Dr. Marguerite J. Fisher, of the Maxwell School of Citizenship and Public Affairs, Syracuse, who is at present the Visiting Professor of Political Science at the University of Delhi.

—Editor

# NEWS FROM INDIA AND ABROAD

## INDIA

### Elimination of Unnecessary and Repetitive Noting

With a view to eliminating unnecessary and repetitive noting by Assistants and promoting the speedy disposal of work, the Central O & M Division has formulated a 'Pilot Scheme' for the reorganisation of the Secretariat 'sections'. The Scheme has been in operation in most of the Central Ministries on an experimental basis for the last five months and has so far yielded satisfactory and useful results.

In place of a Section Officer assisted by four to six 'dealing assistants' as in the traditional section, the 'pilot' section has three men of the level of the Section Officer, who take up all 'first' action on receipts. For doing purely routine work, such as docketing, opening new files, collecting previous papers, etc., they are assisted by 3 Upper and 3 Lower Division Clerks (including a steno-typist). Cases which these Section Officers cannot dispose of themselves are sent *directly* to the appropriate higher authority—Under Secretary, Deputy Secretary, or occasionally even to Joint Secretary or Secretary—and with a *minimum of noting*. This helps to eliminate the unnecessary intermediate stages as well as the repetitive noting.

### Quality Control Drive in Central Ministries

On the initiative of the Central O&M Division, a quality control week was observed in almost all the Ministries from 3rd to 8th December, 1956. The object of the drive was to create, on the widest possible scale, a consciousness of the extent to which work of poor quality was, at present, going unnoticed and therefore unremedied. While the existence of the defects brought to light was already well-known, the drive proved of immense value in (i) creating a general awareness, among officers of all ranks, of the need for maintaining high standards of work, and promoting a positive and conscious effort on their part to shed off habits of bad work, and (ii) giving the higher officers an occasion to come into closer contact with the good workers and their good work, and to guide, train and reform those who needed such personal attention.

### Industrial Management Pool Scheme

Considering that the management of public enterprises calls for special talent and aptitudes, the Government of India has decided to set up an Industrial Management Pool. For the present, the Ministries of Production, Iron & Steel, Transport, Communications and Commerce & Consumer Industries will participate in the Pool. The Pool would be drawn upon for manning the senior (*i.e.* the top and middle level) managerial posts in the public enterprises whether run directly by the Government or by Corporations or companies in which Government has a controlling interest. It will cover all posts of non-technical nature relating to general management,

finance and accounts, sales, purchase, stores, transportation, personnel management and welfare and town administration. The Ministry of Home Affairs will be the Controlling Authority of the Pool.

The Pool will be organised in seven grades on the scales of pay as shown below :

Grade I	...	Rs. 2,750 (fixed)
Grade II	...	Rs. 2,500 (fixed)
Grade III	...	Rs. 2,000-125-2,250
Grade IV	...	Rs. 1,600-100-2,000
Grade V	...	Rs. 1,300-60-1,600
Grade VI	...	Rs. 1,000-50-1,400
Grade VII	...	Rs. 600-40-1,000

All grades of the service will be Central Services Class I. In addition, junior officers may be appointed at suitable stages in the scale of Rs. 350-25-500-30-620. Earning an increment even within a grade in the time scale will not be regarded as automatic. There will have to be, on the other hand, a positive decision that an officer is fit to draw an increment due. This decision will be taken by the Board of Directors of the Companies or Corporations under whom the officer is employed but will be subject to confirmation by the Controlling Authority on the advice of the Central Advisory Board. There will be no order of seniority at all within a grade. All officers of a grade will thus be eligible for promotion on merit alone by selection to the next higher grade.

The authorised permanent strength of the Pool at the initial constitution shall be 200. This number will be distributed among the different grades. The Pool will be constituted initially by recruitment to any of the grades by selection from among persons who (a) hold a Degree of a recognised Indian university or equivalent thereto; (b) are between the ages of 27 and 45 years; and (c) preferably possess industrial or managerial experience for a period of five years. Selections for the Pool will be made on the recommendation of a Special Recruitment Board which would consist of the Chairman or a member of the U.P.S.C. (Chairman), a non-official, Managing Directors and General Managers of State undertakings, and representatives of participating Ministries. The recommendations of the Board will be placed before the U.P.S.C. before appointments are made by Government. The recruitment would not necessarily be restricted to candidates who apply for absorption in the Pool in response to advertisements. The Recruitment Board may consider persons who may not have applied but whose names are suggested to the Board by the Ministries.

### **Enquiry into Customs Procedures and Organization**

Realising the need for saving the wastage of the time of, and for reducing the inconvenience caused to, the public due to the lengthy and complicated procedure for the clearance of goods and passengers' baggage at the Custom Houses, the Government of India has appointed a Committee to conduct a comprehensive enquiry into Customs procedures and organization and to make recommendations for their improvement. The Committee will consist of Shri F.C. Badhwar, (Retired Chairman, Railway Board), Managing Director, Messrs Bird & Co., New Delhi, as *Chairman*; and

Shri S.M. Shah, President, All India Importers' Association, Bombay, Shri E.J. Benjamin, Director, Messrs Roberts, McLean & Co., Calcutta, and Shri W. Saldanha, Officer on Special Duty, Central Board of Revenue, New Delhi, *as members*. Shri V.S. Ramaswamy, Assistant Collector of Customs, will be Secretary of the Committee.

The enquiry will *inter alia* cover clearance procedures, the administration of import, export and exchange control regulations, methods of classification and valuation of goods, procedure for grant of custom refunds, and liaison between Customs, Port Trust and Trade Control authorities.

### **National Projects Construction Corporation**

With the object of deploying the machinery and equipment and skilled personnel rendered surplus on the completion of the river valley projects in hand and for assisting the State Governments which have no proper organization for the execution of large river valley schemes, the Central Government has established the National Projects Construction Corporation (Private) Limited. The Corporation will have a nominal capital of Rs. 2 lakhs to be subscribed by the Centre and the States. The Governments of Assam, Bihar, Rajasthan, Jammu & Kashmir, Kerala and Orissa have decided to participate in the scheme. The new arrangements will combine the advantages of departmental management with the flexibility associated with the execution of works by private construction agencies, and avoid the shortcomings of both.

### **Elimination of Delays in the Secretariat and other Offices**

The Government of Punjab has set up two Flying Squads to check delays in various offices at the State headquarters and other places. One Squad is meant for the Secretariat offices, and the second for other offices. The Squads organise surprise visits, and, besides detecting delays in files, check whether the instructions issued by the Government from time to time regarding elimination of delays are being observed and whether attendance in offices is punctual. The explanation of the officials responsible for the delays is obtained by the Deputy Superintendents in charge of the Squads at the spot and examined by the Chief Secretary who is in over-all charge of this work. The punishment for all the delinquent officials is proposed by the Chief Secretary and inflicted on them by the competent authority.

Both the Squads have been working since October 1956. A large number of offices both in and outside the Secretariat have already been inspected and appropriate warnings or censure issued to officials guilty of delays. The surprise inspections by the Flying Squads have proved very effective.

A post of Deputy Secretary to Government, Punjab, General Administration and Reorganisation, has been created. This officer assists the Chief Secretary in the work relating to the Flying Squads.

### **Expeditious Issue of Financial Sanctions**

The Government of Uttar Pradesh has introduced a reformed procedure for expeditious issue of sanctions concerning schemes approved by the

Legislature in the annual budget. The old practice was that the proposals for the Schedule of New Demands were taken up by the administrative departments collectively, so to say, some time between September and November each year. As a result, due to shortage of time, it was not generally possible to work out the proposals in detail in the originating department.

The new procedure provides that proposals for the Schedule of New Demands, should not be deferred till September-November, but should be taken up in a regular flow *all the year round*, up to the last date fixed (either generally or in a particular year, as the case may be), for their acceptance by the Finance Department. This will allow sufficient time to all concerned for the proper formulation of a proposal and its scrutiny before its inclusion in the Schedules. Heads of Departments, and departments of the Secretariat, as the case may be, are required to initiate the proposals for a subsequent financial year soon after the issue of sanctions on schemes provided for in a current year's budget, that is to say, near about the month of May each year. The Finance Department will, on receipt of each such proposal, examine it in detail so that the necessity for any further examination after the budget has been passed may not arise.

In order to ensure that delay does not occur in the Finance Department by reason of all departments sending their drafts to that department for concurrence simultaneously within a small compass of time, formal sanctioning orders are to be drafted in the administrative departments after the 'Grant' concerned has been voted by the Legislature and the drafts sent to the Finance Department within a fortnight from the passing of the Appropriation Act for concurrence. In the Finance Department, these drafts shall be given priority attention and returned to the administrative department in about a week's time. It would thus now be possible for sanctions to issue in all cases within a month from the passing of the Appropriation Act.

## FOREIGN

### 1. CANADA

#### Increased Benefits for Railway Personnel

The joint union-management committee, formed after the signing of the master agreement between the Railways and 15 non-operating unions last spring, has announced a nationwide health and welfare plan effective from January 1, 1957. It affects some 140,000 non-operating railway employees, and their families estimated at about 500,000. The plan provides for (i) deduction of \$4.25 per month from the employee's pay with equal contribution from the management; (ii) group life insurance in the amount of \$500 and weekly compensation for loss of income through sickness or non-occupational accident up to a maximum of \$40 a week for employees only, and (iii) hospital and surgical benefits to employees and their dependents. Canadian Pacific employees in British Columbia will continue to enjoy surgical and comprehensive medical benefits provided by the Canadian Pacific Employees Medical Association, and premiums covering these benefits will be paid to the Association.

## 2. UNITED STATES

### **Fellowship Grants for Army Career Civilians**

The U.S. Secretary of the Army, Mr. Wilbur M. Brucker, announced recently that, under the Research and Study Fellowship Programme, between 25 and 40 outstanding army career civilians in science, engineering, and administration will be selected for annual fellowship grants. Those selected will be relieved of their regular duties for six months to a year. They will devote this period to special research or advanced study "of particular concern to the army and the national defence." The applicants for grants will be even allowed to propose problems for study based on experience in their own particular jobs. The research programme is "designed to place emphasis upon the recognition, development and increased use of the best creative talents available among Department of the Army civilians."

### **Training Programme of the Post Office Department**

The U.S. Post Office Department has launched an administrative training programme at the executive level. Seven persons have been selected from the ranks of postal employees and the Civil Service Commissions' Federal Entrance Examination registers for specialised training. After training, they will be assigned in the fields of accounting, general administration, personnel, real estate, supply and transportation.

### **Increase in Employer's Contribution to Retirement Fund**

The Washington State Employees Retirement Board has authorised an increase from 5 to 7 per cent. in the employer's contribution to the retirement fund to be effective from July, 1957. The employee contribution will, however, remain at 5 per cent. Fifty-six per cent. of the increase will be paid by cities, counties and other governmental sub-divisions, with the remainder contributed by the State.

## 3. U.S.S.R.

### **New Law on State Pensions**

The State Pensions Law which came into force on October 1, 1956, gives the right to state pensions to (1) factory and office workers, (2) servicemen, (3) students of higher and secondary specialised educational establishments, schools and courses for the training of cadres, and (4) other citizens if they became disabled while discharging their duties to the state or society. It also gives the right to pensions to members of the families of the above enumerated persons in case they lose their bread winner. The right to pensions is enjoyed by factory and office workers: men at the age of sixty with the length of service not less than 25 years; women at the age of 55 with the length of service not less than 20 years. Old age pensions are awarded for life regardless of the pensioner's ability to work.



## INSTITUTE NEWS

### *I. Third Annual General Body Meeting*

The Third Annual General Body Meeting will be held at the Institute's premises at 4 p.m. on Saturday, the 6th April, 1957. The Institute's President, *Shri Jawaharlal Nehru*, will be in the chair.

### *II. Research Projects*

Three new research projects have been taken up : (i) 'Grants-in-aid', (ii) 'Election Administration', and (iii) 'Administrative Tribunals'. Work has also been started for the preparation of an 'Administrative Directory of India' which will give, for the year 1957, information about the top-most personnel of Union and State Governments, selected statistics of administrative interest and a chronology of important developments in the field of Public Administration. The scope of the study already undertaken on the functions and working of the New Delhi Municipal Committee has been revised and it is now proposed to bring about a monograph on "How Delhi is Governed."

### *III. Public Administration Study Circle*

The research and technical staff of the Institute have formed themselves into a Public Administration Study Circle. The first meeting of the study circle was held on January 18, 1957. Mr. Bertram Benedict of Editorial Research Reports, Washington, gave a talk on "Some Aspects of Political Research for Newspapers".

### *IV. Lectures*

Miss Margaret Ball, Professor of Politics, Wellesley College, U.S.A., gave a talk on "Problems of Policy Formulation in the United States" on the 12th February, 1957, at the Institute's premises. Dr. B.V. Keskar, Union Minister for Information and Broadcasting, presided.

### *V. Visits*

The following visited the Institute during January-February, 1957 :

- (i) Mr. Gunnar Myrdal, Executive Secretary, Economic Commission for Europe, Geneva.
- (ii) Mrs. Alva Myrdal, Swedish Ambassador in India.
- (iii) Mr. Clarence S. Gullick, Deputy Chief of the Staff, Asia Division of the International Co-operation Administration, Washington D.C.

### *VI. Library and Information Service*

The Library continues to augment its resources. About six hundred

more volumes have been added. Documentation of articles, in addition to news items, has been started.

### *VII. Institute's Building Plans*

The tenth meeting of the Building Advisory Committee of the Institute was held on the 31st January, 1957. The building plans have been practically finalised and tenders are being called for. The construction work is expected to be started early in April.

### *VIII. Staff Service Rules Committee*

A meeting of the Committee was held on the 13th February, 1957, to consider the final draft Staff Rules of the Institute. The Committee is expected to meet again in the first week of March.

### *IX. School and Fellowships Committee*

The School and Fellowships Committee, held two meetings; the first on the 14th January and the second on the 14th February, 1957. The Committee consists of Prof. D.G. Karve, Prof. M.V. Mathur, Shri L.P. Singh, Shri S.B. Bapat and the Director of the Institute.

### *X. Seminar on 'Recruitment and Training for Public Services'*

A Seminar on 'Recruitment and Training for Public Services' will be held under the auspices of the Institute in New Delhi on the 3rd March, 1957. The object of the Seminar is to promote a high-level discussion on these subjects by the representatives of the Union and State Governments, Public Service Commissions and Universities.

## DIGEST OF REPORTS

### UTTAR PRADESH. REPORT ON REORGANIZATION OF COLLECTORATES : *By Commissioner for Reorganization. 1956, ii, 128p.*

In October 1955, the Government of U.P. appointed Shri K.K. Dass, I.C.S., as the Commissioner for Reorganisation and entrusted him with the work of scrutinising and initiating proposals for the rationalisation and reorganisation of Collectorates, Offices of Heads of Departments and the various Branches of the Secretariat. In his Report on Reorganisation of Collectorates, Shri Dass has examined in detail the working of the various departments and sections of the Collector's Office. Some of the major recommendations made in the report, which may be of interest to Collectorates in other States, are summarised below :—

#### *I. Basic Principles*

(1) The Collector is subject to sustained and intense mental pressure, which is harmful both to him and to the Government. Steps must be taken to give him relief, by reducing his work and ensuring that it does not increase unnecessarily. Unnecessary increase can only be stopped if all orders to the Collector (except general orders under a statute, specially those from the Revenue and Home Departments) are routed through one person or through a small and distinct organization, such as the Chief Secretary's Branch. For further co-ordination it is necessary that these orders should pass through the Commissioners as well. Orders prescribing new forms, registers, returns and other procedural matters should also have the concurrence of the Organization and Methods Division.

(2) The Collectors should actively be encouraged to relax frequently. It would increase efficiency if they were compelled to take leave for a month after a year's work. The tourist section of the Planning Department may be asked to organize holiday treks for officers. Riding is an excellent recreation. One horse and a groom should be placed at the disposal of the Collector in each divisional headquarters, and of the Commissioner if he desires it.

(3) There is no guarantee that a badly written order or one given during a large conference will be obeyed, nor will one phrased with what a large number of District Officers consider "discourtesy" on the part of the Secretariat. Government's orders should be conveyed down rungs of a well-defined ladder. Each rung must consist of a small group of persons. Also, when each group meets, free discussion and even criticism of the order before it emerges in its final shape should be encouraged. To put this concretely, Commissioners should be called to a meeting at least once in two months at the headquarters of Government (or occasionally elsewhere), at which the Chief Minister, one member of the Board of Revenue, Chief Secretary and the Commissioners alone should be present. Important proposals should be put before the meeting and finalized after discussion.

The Commissioner should then call a conference of the District Magistrates (or District Magistrates and Superintendents of Police) alone. The District Magistrate should finally pass on instructions in a conference of their Sub-Divisional Officers only. This system will enable officers to "answer back", talk about their difficulties and resentments, if any, and will give them a real feeling that their views are reaching the top and influencing decisions there. At these conferences criticisms and complaints against the administration, particularly by elected representatives of the people, should also be gone into.

(4) Delegation of power is another essential of good administration. It saves the time of the delegator and his subordinate. It gives the latter the feeling that he is trusted and increases his initiative. It cuts down supervisory staff. The public get decisions much more quickly. The final effect is that it *actually increases the control of the delegator*. The tendency for many years, decades perhaps, seems to have been that if a power was misused once, or even if it was likely to be misused, then it was either withdrawn or hampering checks were imposed. The remedy in such cases should be to punish the delinquent and not to withdraw power from everyone. A power should be withdrawn or checked only if it is clearly shown that it has been constantly misused over a period of time. The subject of delegation should form a permanent item on the agenda of the Commissioners' conference.

(5) The fog of mistrust which pervades Collectorates must be dissipated at once. Each clerk should be made to develop a sense of responsibility and initiative for his work. Individual clerks should be frequently called up, while section heads should be consulted almost daily. This should not be allowed to degenerate into routine "*peshi*". The old system of "*peshi*" where clerks wait for hours to get an officer's signature on unimportant papers should be stopped at once.

(6) If an organisation runs smoothly, the number of hours beyond a certain minimum its head spends in the office or over desk work are not very important. It is the universal experience that a short daily attendance (for about two hours) at the Collectorate is essential for efficiency. Only so can the Collector maintain personal contact with his clerks and enlarge his public contacts.

## II. *The Organization of the Collector's Office*

(1) The receipt and despatch registers kept by each clerk should be discontinued. Clerks should be trusted not to lose papers, and a general watch kept by senior clerks. In any case, fixing of responsibility is not so important as not losing papers. Papers are less likely to be lost if clerks do not spend time filling in registers. Index and File registers should be maintained in the English Record Room only and Despatch registers by the despatcher. Index and File registers and Receipt and Despatch registers of all kinds maintained elsewhere throughout the Collectorate should be abolished.

(2) All dak should be received (but not marked) by the District Magistrate or in his absence by the next senior officer and opened in his presence by an orderly. The D.M. should look through it rapidly, retaining half-a-dozen or so papers that require his personal attention and send

the rest to the English Record Keeper. Courts should directly receive local files and summons meant for them from superior courts. Similarly, Attached Officers such as the Town Rationing Officer, District Supply Officer, District Planning Officer, etc., should directly receive letters meant for them. The E.R.K. should mark the papers to the clerk concerned, and send them to the O.S. who should look through them and note only on those papers in which he feels his personal guidance is necessary. These may be about a dozen a day. The four hours spent on "marking" will thus be reduced to half an hour on "noting".

(3) Officials like the Excise Clerk, the Stamps Clerk, the Zamindari Abolition Clerk, etc., should continue to submit their papers direct; but senior clerks would be held generally responsible for the proper functioning of their sections. Section heads should be relieved of any fixed quota of original work. Junior clerks should be constantly guided by their seniors.

(4) A committee (of about Deputy Secretaries level) should be set up to revise the form, contents, dates, etc., of all the annual administration reports of all departments. This will remove anomalies and help to cut down the number of periodical returns.

(5) The periodical "drives" which are organised by various departments should be abandoned. Work should not be done on a "drive" basis. Drives for solicitation of subscriptions are particularly objectionable.

(6) In many large districts much of the Collector's time is taken up in meeting and taking round foreign notabilities, to the grave detriment of more important work. The State Government should come to an understanding with the Government of India that the Collector should not be required to receive personally any VIPs except Heads and Prime Ministers of other countries.

(7) An amendment should be made to the General Clauses Act, both of the U.P. and the Centre, giving the A.D.M. and Additional Collector the same powers as the D.M. and the Collector.

(8) The functions at present exercised by the Land Reforms Commissioner should be transferred to the Board of Revenue, except those which were exercised by Commissioners and which can go back to them. The Director of Consolidation should be put under the Board of Revenue.

(9) In each large Collectorate there should be an Inquiry Office. The clerk in charge of it should be on the scale of Rs. 150-200 and must be chosen with great care. He must cultivate the attitude that "the public is always right." He should have near him a stamp-vendor and a petition-writer. He should also maintain a complaint book and a petition box. In no case should he ask anyone to come more than once. Hindi signs should employ the terms generally used. "Mahafizkhana", "Khazana", etc. are understood, but not "Abhilekh Kaksh" or "Koshagar".

(10) There should be two classes of revenue records :

(a) Permanent, which should be prescribed by Government. These should be kept in steel filing drawers. The feasibility

of microfilming permanent records should also be investigated.

- (b) Non-permanent records. These should also be prescribed by Government on the basis of a list which should be considerably simpler than the one existing today.

(11) An operator with a vacuum cleaner should spend a week in each district to remove dust from records.

(12) The expenditure on the building and compounds should be increased considerably, and must bear some relation to the income from it. Provision should also be made for electrification, piped water supply and witness sheds—all of which are, necessities. In addition to the amount that is now allotted to each district, the Collector should get 50 per cent. of the income from the compounds of revenue buildings to spend it on their improvement and upkeep.

### III. *Inspections*

(1) The treasury questionnaire for inspections goes into a great many unnecessary detail. The questionnaire is never answered completely. Inspection of a treasury by means of this questionnaire has in the past never prevented embezzlement. No questionnaires should be prescribed for an inspecting officer. It is better that he should write a two to three page inspection note on his own initiative rather than a volume based on a cut-and-cried questionnaire.

(2) After his inspection of each Collectorate, the Commissioner should distribute cash rewards (or tokens such as watches) and "Sanads" to all officials who have worked specially well since the last inspection. The distribution should be done before he leaves the district.

(3) The Collectorate is over-inspected. The Inspector of Offices need not inspect a Collectorate unless a Collector or Commissioner wants him to.

### IV. *Recruitment and Promotion*

(1) Forty per cent. of Naib-Tahsildars should be recruited directly, 10 per cent. from clerks and 50 per cent. by promotion of Supervisor Kanungos. The field of eligibility for clerks should be limited to those below 40, who have worked either as *Amins* or as Nazirs or Naib-Nazirs.

(2) Promotions at present do not bring much satisfaction to the promotee as he is merely put on a higher scale and the gain is felt after some years. In order to improve the morale it is necessary so to fix the new pay as to give an increase of Rs. 10 at least.

(3) The recent rules about promotions based on merit alone have created widespread dissatisfaction and are likely to lead to very much more if they are strictly enforced. The old rule of 'promotion by seniority except of the unfit' has the merit of being well understood and accepted. Merit is difficult to define. An attempt has been made to define it by a number

of adjectives. This again begs the question of the exact meaning of these adjectives. Promotion by merit may be necessary for the highest officers, but not for ministerial officials. The old rules should be brought into force again.

## V. Courts

(1) The output of the magistrates can be greatly increased by giving the Reader a shorthand allowance of Rs. 25 per month and a typewriter to each Court.

(2) The fixation of standards by Government for the out-turn of magistrates was done about seven years ago. There is no possible way in which standards can be satisfactorily fixed. Since magistrates work in one place and under the guidance of the Additional District Magistrate (Judicial) or the District Magistrate, their out-turn can best be checked (as it has been for years in the past) by a close and careful study of the old *Pandrah roza* (which should be kept in bound volumes) by the District Magistrate or Additional District Magistrate (Judicial). Standards and all statements by which they are watched, including the quarterly statements of cases delayed over three months, should be abolished.

**ESTIMATES COMMITTEE, 38th Report (Ministry of Community Development (C.P.A.) Part I) : 1956-57. New Delhi, Lok Sabha Secretariat. iii. 136p.**

The main recommendations of the Committee briefly are as follows :-

(1) An assessment of the credit and debit sides of the Community Development Programme indicates that there is no room for complacency. The Community Projects Administration (now Ministry of Community Development) will have therefore to play a very prominent and strenuous role to see that the points on the debit side are wiped out during the Second Plan.

(2) The Community Development Programme throughout the country should be so planned, directed and co-ordinated as to ensure, that "Directive Principles of State Policy" are made a reality in rural areas within a limited period of time. Certain basic necessities have to be provided not only to 'majority' but 'unto the last man'. Constant care will have also to be exercised to see that in the enthusiasm to change the outlook of the people, their basic needs for adequate food, clothing, shelter, health, education, recreation and community life are in no way neglected.

(3) Special attention should be paid to see that all the villages in a block receive more or less equal attention and that there is no uneven distribution of amenities to add to the existing inter-village disparities. The poor and backward people in the villages should receive greater attention.

(4) The Manual of Village Level Workers' Records should be suitably modified so that not only the records of accomplishments can be more systematically and properly kept, but that all the vital statistics, concerning each village in the Circle of the Village Level Worker, are properly recorded

and maintained. These records should be periodically checked by the Block Officers and also by the Project Evaluation Officers and the Officers of the Community Projects Administration while touring the villages. Each Village Level Worker should have a complete gazetteer of each of the villages under his charge. The gazetteers should be revised periodically.

(5) Suitable criteria should be evolved to adjudge the overall progress made by the various villages under the same V.L.W. and an annual prize may be given to the village adjudged to be the best. The same principle may be applied to different V.L.Ws. under the same Block Development Officer. The V.L.W., whose performance is adjudged to be the best, may be suitably rewarded by issue of certificates of merit, cash prizes or even promotions. Similar healthy competition should be set up for various blocks in the same State. The feasibility of introducing a Rural Development Shield for the State adjudged to have made the best all round progress during the year might also be examined.

(6) With the creation of a separate Ministry of Community Development, it is necessary that the Central Committee should meet formally at stipulated intervals to review the progress made in the Community Development Programme and to give specific directions in broad policy matters; and a Central Advisory Committee consisting of officials and non-officials who are economists, sociologists, psychologists and those who have given thought to the problems of Community Development Programme, should be formed to advise the Ministry of Community Development in the Centre. Suggestions of this Committee should be given earnest consideration.

(7) The Ministry of Community Development should seriously examine the feasibility of covering the entire country with N.E.S. Blocks during the first four years of the Second Plan. If this suggestion is not found feasible on examination, efforts should be made to increase the number of N.E.S. Blocks in the earlier years and the last lot of the N.E.S. Blocks must be allotted positively on April 1, 1960. It is necessary to ensure that the benefits of the National Extension Service are derived by the entire rural population, during the Second Plan, *in actual practice and not merely on paper*.

(8) It is unfortunate that all the "nucleus" funds allocated in the First Plan period for the Community Development Programme could not be fully utilised. The story should not repeat itself in the Second Plan.

(9) (i) The expenditure on office establishment has been progressively increasing and a strict watch should be kept to arrest this trend.

(ii) There is no machinery at present to check whether the money voted for sanction by Parliament for Community Development is properly spent and whether adequate and satisfactory results have been achieved. Positive safeguards or checks against dissipation of public funds have not yet been evolved; and neither the C.P.A. nor the P.E.O. seem capable of providing the vigilance required. There appears to be an urgent need not only to inculcate the spirit of strictest financial propriety among the officials as well as the public workers in charge of Community Projects, and to lay down and enforce minimum accounting standards but also to create a machinery or agency responsible for and capable of keeping a vigilant eye in respect of any lapses.



(10) With the reorganisation of the States and considerable increase in the activities of the Community Development Programme, an overall review and expansion of the Programme Evaluation Organisation seems to be necessary. The feasibility of setting up Five Regional Offices, instead of the present three, for each of the five zones—North, South, East, West and the Centre—with Headquarters at Delhi, Madras, Calcutta, Bombay and Nagpur or Bhopal—might be carefully examined. For various activities requiring the setting up of zones, the above pattern of five zones, should normally be adopted.

(11) The Community Projects Administration, in consultation with the Programme Evaluation Organisation, should systematically contact all the universities and other institutions of social sciences in the country which are capable of undertaking research in social problems and enlist their support to help the organisation to bring to bear an independent outlook on the existing development programme so far as its social aspect is concerned. It should be possible for Programme Evaluation Organisation even to indicate the courses to be prescribed for the research scholars who are desirous of taking rural problems for their study and thesis.

(12) If the Evaluation Officers keep a regular contact with local non-officials, specially the Members of State and Central Legislatures of the area concerned, the reports coming from Evaluation Officers will have better value. The Evaluation Officers should move with the public and find out what the enlightened public opinion is about a certain Block.

(13) Evaluation centres must remain in the rural areas but they may be so fixed that each region receives equal attention; and as many Blocks as possible may be intensively examined in rotation in each State. A comparative study of the progress made in the various Blocks would also be useful.

(14) There are innumerable small items of vital interest to the villagers where improvements are possible and in certain cases have been made in some areas but the villagers in other areas do not know them. It should be for the P.E.O. as well to widely propagate these improvements whenever and wherever noticed.

(15) The reports of P.E.O. are not being as widely circulated as they should be, specially among the village workers who are vitally concerned in the matter.

(16) The feasibility of establishing a machinery similar to the Programme Evaluation Organisation for various other Governmental activities might be examined with advantage.

**ESTIMATES COMMITTEE. 39th Report (Ministry of Defence—Bharat Electronics Private Limited); 1956-57. New Delhi, Lok Sabha Secretariat. iv. 115p.**

The report examines the working of the Bharat Electronics (Private) Limited which started functioning in April 1954, as a limited concern with an authorised capital of Rs. 10 crores subscribed exclusively by the Government of India. The important observations and recommendations made by the Committee are as follows :—

*I. Organisational set-up*

1. The Secretariat functions of laying down policies and the executive functions of implementing them should be clearly demarcated and that as far as possible Secretariat officials should not be associated with the actual execution of policies laid down by them so as to enable them to retain an objective outlook. The present arrangements under which the Secretary to the Government of India is the Chairman of the Board of Directors of a company set up by the Government to carry out a project on business principles are not very satisfactory.

2. (a) The composition of the Board of Directors should be rationalised and made broad-based at an early date. (b) An overwhelming majority of officials in the Board of Directors tends to bring, to the organisation and its functioning, an official approach of a type which is generally found in most Government Departments and to that extent defeats the very object of setting up a private limited company to work on business principles. (c) There should be a gradual replacement, to the extent possible, of officials on the Board of Directors by non-officials such as industrialists, scientists, a chartered accountant, etc., so as to enable a fresh, business-like and scientific outlook to be brought to bear on the affairs of the B.E.L. (d) It would be useful to have a representative of the Radio Manufacturers in India associated with the Board of Directors.

3. There is a tendency on the part of Government to select a few non-officials to function on the Boards of Directors of several nationalised and other industries in the public sector. The result is that very often the non-officials concerned do not find sufficient time to attend to the affairs of all the concerns. This practice is neither fair to the non-officials nor conducive to efficiency.

4. A senior technical adviser should be appointed and given a place on the Board of Directors. In the event of difficulty in finding a senior officer to hold the post of Technical Director of the B.E.L., an Advisory Board, consisting of technical experts, should be formed. The Board might visit the B. E. L. once in six months or even a year to assess progress made towards the achievement of the programme of production and the goal of self-sufficiency. The Board may be required to submit reports direct to the Government of India to enable them to obtain independent advice on the working of the B.E.L.

5. The Committee commend the principle of having a Board of Management, which, if worked in proper spirit, facilitates the discussion, among the chief executive and his senior heads of departments, of problems, both administrative and technical, facing the management and also ensures collective responsibility.

*II. Personnel Management*

1. It is not proper that the recruitment of all the officers in industries in the public sector should be made by a system different from that adopted for recruitment to services directly under the Government. The advantages of an independent body like the Public Service Commission being associated with recruitment cannot be minimised. But it would not be desirable to

over-burden the U.P.S.C. with the task of recruitment to posts in the undertakings in the public sector also. A separate Public Service Commission should, therefore, be set up for this purpose as early as possible. If necessary, this Public Service Commission might have slightly different and more flexible rules and procedures to suit the peculiar circumstances and requirements of industrial undertakings in the public sector.

2. The recommendation made by the Engineering Personnel Committee of the Planning Commission—that there should be one or two bulk selections every year for technical men of a particular category—should be implemented without further delay in collaboration with undertakings and Government Departments requiring technical men.

3. The recruitment to Class III posts in the B.E.L. may be made on a regional basis rather than on a local basis as at present.

4. Besides an independent Technical Officer, the Selection Committee should also consist of a member of the U.P.S.C. or at least of the local State Public Service Commission, especially at the interview stage, so as to minimise, to some extent, the effect of the exclusion of posts in nationalised and other undertakings in the public sector from the purview of the U.P.S.C.

5. The question of the revision of the pay scales in the B.E.L. may be examined *de novo* by the Board of Directors of the B.E.L. as well as by the Defence Ministry.

6. In the national interest, the training facilities in the B.E.L. should be available, not merely for its own requirements but also for the need of skilled workers in other industries in the country, and the question of finance necessary for the purpose, should be taken up with the Ministries of Education and Labour. In view of the general shortage of engineers, the method of recruitment and training of apprentice engineers which has been initiated may be exploited fully and expenditure should not be grudged on this account.

7. Joint Production Committees of management and workers should be set up for the purpose of facilitating discussions and consultations on all production matters. The system of inviting suggestions freely from workers should be introduced and deserving suggestions should be suitably rewarded for.

### III. Financial Administration

1. In negotiating with foreign firms more businesslike methods should be adopted and no efforts should be spared to expedite the progress of the negotiations and discussions with the firm whose collaboration and assistance is to be obtained.

2. There were special reasons on account of which the assistance of the French concern—Compagnie General-de-Telegraphie Sans Fil (C.S.F.)—had to be obtained even in the preparation of plans and design of factory but in future, in similar cases, Indians might be associated even from the start in the designing, etc., of the factory buildings so as to enable them to get the necessary experience.

3. The annual accounts of the company should be brought out more expeditiously and for this purpose the I.S.D. London should be approached to ensure expeditious rendering of bills. The feasibility of closing the annual accounts without awaiting outstanding bills beyond a certain date, by showing them suitably in the Balance Sheet as is done in most commercial concerns, should also be examined. The Company should publish an Annual Report showing all its activities, along with the Annual Accounts and Balance Sheet, for the information of the Parliament as well as of the general public. A beginning in this respect should be made in 1957.

4. The Cost Accounts Branch of the Ministry of Finance should be entrusted with the specific duties of laying down the system of costing to be followed in each undertaking in the public sector, of conducting systematic concurrent or periodic reviews in regard to the adequacy or otherwise of the cost accounts system, and of submitting reports thereon, direct to the Finance Ministry as well as the administrative Ministry concerned.

**ESTIMATES COMMITTEE. 41st Report [Ministry of Communications—Air Corporations] 1956-57. New Delhi, Lok Sabha Secretariat, v, 63 p.**

The following are the major recommendations of the Committee :—

(a) *Control of Central Government*

(1) The presence of the Secretary, Communications Ministry on the Boards of Indian Airlines Corporation and Air India International tends to a blurring of his responsibilities, which should be avoided. The presence of the Secretary to Government on the Board of a Corporation or a public utility undertaking, particularly one which runs at a loss, would result in his becoming a party to its state of affairs and management and consequently he will find it difficult to retain an objective outlook on major issues, such as the regulation and management of economic policies.

(2) There is a tendency on the part of both the Corporations, especially the I.A.C. as at present constituted, to rely upon the Director General of Civil Aviation to an extent more than is necessary. As the guardian of the law of civil aviation which he has to enforce on the Corporation, the D.G.C.A. should not share the responsibility for the conduct of affairs of the Corporation.

(3) Civil aviation and air corporations should be a responsibility of the Transport Ministry as in U.K., and not of the Communications Ministry. This change should be given effect to at an early date.

(4) Non-official representation on Air Transport Council is inadequate. As a rule, such advisory councils should have a substantial non-official element in them.

(b) *Organisation and Management*

(1) As the integration of domestic services has been completed, it should now be possible for Government to review the question of common Corporation for both the I.A.C. and A.I.I.

(2) If the Government come to a conclusion that separate Corporations should continue, they should examine the feasibility of a common Board for two Corporations, particularly as at present the Boards of the two Corporations have seven members out of nine in common.

(3) A Board of Management consisting of the Chief Executive and his principal heads of departments should be appointed for the efficient conduct of the day-to-day business of the Corporation and suitable internal rules of procedure should be framed for the purpose.

(4) The financial prospects of the Corporation are not entirely bright. The Corporation should not relax in its efforts to keep down unnecessary expenditure, control costs and attract traffic. There should be a continuous review of the methods of cost accounting and the results. The Corporation should keep in touch with the system of cost control exercised by the modern operators and keep its own system sufficiently modern.

(5) There is hardly the need for additional audit of the accounts by a firm of Chartered Accountants, which has been voluntarily arranged by the Corporation when there is a full-fledged internal audit department and the external audit conducted by the Comptroller and Auditor General is much wider in its scope than that done by commercial auditors.

(6) The Corporation should examine the feasibility of admitting persons other than the Corporation's employees also to the courses of training.

(7) Advertisements for recruitment may also be published, in addition to English and some foreign newspapers, in some Indian language newspapers having a wide circulation.

(8) The scheme which has been instituted for grant of prizes, to members whose work, conduct and initiative is exceptionally good in the A.I.I., should be given wider publicity among the staff to encourage them to take part in it.

(9) There should be a Council for air research to direct research and ensure co-ordination with a view to making the most effective use of the available technical talent.

(10) There is considerable scope and justification for the existence of independent non-scheduled operators in this country. If the independent operators are to help expansion of services, particularly on routes which the nationalised Corporations are not in a position to operate, it is necessary and desirable that they should clearly know to what extent and how long they would be permitted to operate the services.

*(c) Welfare & Labour Relations*

(1) By and large the facilities aboard and aground offered by the A.I.I. are comparable with those of other international airlines. However, suitable steps should be taken by the Corporation to improve the quality of food served and also to cater to the differing tastes of the various users of the Corporation's services. It should ensure that the high standards of catering are uniformly maintained.

(2) The Corporation should examine the case for providing accommodation facilities at airports used by them in India; and if that is not possible, the feasibility of providing slumberettes in airport buildings may be considered.

(3) Works Committees do not exist in the A.I.I. Even though the functions of the Labour Relations Committee are practically the same as those of the Works Committees in their limited sphere (the Works Committees are for individual workshops whereas the Labour Relations Committee is intended for the whole Corporation), the Corporation should consider the setting up of Works Committees at least in the workshops.

**ESTIMATES COMMITTEE, 43rd Report [Ministry of Communications—Indian Airlines Corporation] 1956-57. New Delhi, Lok Sabha Secretariat. iii, 124p.**

The main conclusions of administrative interest reached by the Committee are summarised below :—

(A) *Organisation*

(1) A rational system of organisation should be evolved to ensure an economical and efficient operation of the air transport in the country.

(2) It would be advantageous if a non-official with experience in administration and the air transport business could be made the Chairman of the Corporation, as in the Air India International. Efforts should also be made to find, for the membership of the Boards of the Corporations, persons with special knowledge of air transport industry and with business acumen.

(3) There is no justification for a separate General Manager as long as there is a wholetime paid official as the Chairman.

(4) Suitable internal rules of procedure should be framed for the purpose of having a Board of Management consisting of the Chief Executive and his Heads of Departments to facilitate discussion of all important questions concerning the Corporation. Minutes should be recorded of the meetings of the Board of Management.

(5) The Corporation should also have it as their aim to have the same Senior Executive in charge of both operations and engineering departments.

(6) The post of Chief Personnel Officer should be abolished and the work should be entrusted to the Secretary as a permanent arrangement.

(7) There is a tendency to centralise a large number of offices of all degrees of essentiality in Delhi. The autonomous Corporations which do not have to function as departments of Government should think in terms of locating their Headquarters offices as far as possible in different parts of the country.

(8) The Area Headquarters at Delhi may be eliminated without any difficulty and the entire operation controlled from the Calcutta and Bombay bases only.

(9) The speed, initiative and the efficiency of administration at various levels, should be kept continuously under review. The Corporation should immediately make a careful comparison of the delegation of powers obtaining in the I.A.C. with those in the A.I.I., and take steps to delegate further powers wherever necessary. All cases, where a responsible official on the spot is unable to act and has to make references to higher officers for sanction, should be carefully examined to see whether consistent with his status more powers could be delegated to him.

*(B) Operational Arrangements*

(1) The Committee feel concerned at the mounting losses incurred by the Corporation. Urgent measures should be taken in the various directions to stop this continuing drain on the public exchequer.

(2) The Corporation should study the reports of various modern airlines and improve both the extent of information furnished as also the standard of reporting.

(3) There is no justification for delaying any further a critical analysis and assessment of the existing route pattern of the Indian Airlines Corporation with a view to its rationalisation. The question of correlating the type of aircraft used on a route with the traffic on that route should also be examined afresh with reference to the load factor on that route and the relative overall economies of operation by the use of different aircraft.

(4) The Corporation should have as its objective the standardisation of its fleet with the minimum number of types of aircraft necessary for the main types of operation in the country such as trunk routes, the feeder routes and the freighter services. A well thought-out and properly phased programme should be worked out in advance to ensure that uneconomic operation or idle capacity does not result from the changeover.

(5) The Corporation may obtain the services of an experienced officer of the railways to conduct their traffic surveys until some of their own officers are trained to do the work competently. The results of such surveys would facilitate a reorganisation of the route pattern.

(6) The fare structure should not be arbitrary as it is and the fares should be fixed on some standard basis, whether it be a uniform rate based on distances or a telescopic rate. In deciding on the fares and freight structure, a realistic view of the situation regarding the economics of the airlines operation in this country should be taken and that the fares and freights charged should bear a reasonable relation to the cost of economic and efficient air transport operation.

(7) Credit facilities could be extended by the Corporation to private individuals also. Business houses of repute, credit-worthy institutions, departments of Government and prominent individuals, may be provided with such coupons of air travel. The Corporation may, also consider the sale of air travel in mileage blocks to business organisations as well as the question of allowing reasonable discounts on the purchase of bulk air travel. At the same time precautions should be taken to prevent misuse of any of such special privileges.

(8) A Committee of experts should be set up to advise the Corporation regarding the location, reorganization and development of its workshops. The services of an expert engineer who has experience of the organisation of airline workshops may also be obtained under one of the technical aid schemes for this purpose.

(9) The Corporation as a Government-sponsored body should take advantage of the existence of the Government organisation for disposals. It should also reconsider the question of using, as far as possible, the services of the Indian Stores Department in London and Washington for purchase of stores.

*(C) Personnel*

(1) Every effort should be made to increase productivity which is admittedly low and is one of the reasons for the heavy expenditure incurred under 'overtime'. Urgent steps should be taken to reduce overtime work to the minimum.

(2) The question of introducing piece work system of wages with bonus should be considered in order to provide incentive for increased output.

(3) The Corporation is said to have introduced a system of "suggestion cards". But unlike the Air India International, the I.A.C. has not instituted any system for rewarding its employees for good suggestions. Such a system should be introduced and given wide publicity among the staff.

(4) The sum expended on staff welfare services, which amounts to an average of Rs. 21 per head per annum, is quite low. It should be the aim of the Corporation to spend increasing amounts on staff welfare activities.

*(D) Public Relations*

(1) Efforts should be made to improve the standards of courtesy and helpfulness on the part of the staff of the Corporation towards their clients. The standards of cleanliness and up-keep both in aircrafts and the stations as well as the quality of food served in the planes and the canteens should not be slackened.

(2) A comprehensive review of flight timings of all the services should be undertaken to minimise inconvenience to passengers.

(3) At the airports there should be a device to display prominently the allocation of 'pay load' among passengers, freight and mail, thus clearly indicating the capacity available and the extent to which it is booked.



## BOOK REVIEWS

**THE MINISTRY OF WORKS;** By **SIR HAROLD EMMERSON.**  
*London, George Allen & Unwin Ltd., 1956. 171p. 15s. (Published under the auspices of the Royal Institute of Public Administration)*

The latest addition to the New Whitehall Series prepared under the auspices of the Royal Institute of Public Administration deals with the Ministry of Works in U.K. and is, as is to be expected, well up to the standard of the earlier descriptive books dealing with the Home Office, the Foreign Office and the Colonial Office. It cannot be otherwise, the author being Sir Harold Emmerson who has retired only recently after holding charge of this Ministry as the Permanent Secretary for nearly ten years. Contrary to popular conception, the Ministry of Works in U.K. as indeed in India, covers "a range and variety of functions of extraordinary fascination" and gives full scope not only for developing capacity to face the hard realities of existence but also for giving shape to the romantic and artistic yearnings in a man.

The British Ministry of Works has grown in a typically British manner; "new duties have been grafted on to an old organisation which traces its origins far back into the past. The work now falls into three main groups which broadly reflect the historical development of the Ministry. First, there are certain traditional or cultural functions such as the care of the Royal Palaces, the Royal Parks and Gardens, work for ceremonial occasions, the preservation of historic buildings and ancient monuments and other responsibilities, which in some countries are carried either by a Ministry of Education or a Ministry of Fine Arts. Secondly, the Ministry provides accommodation and all types of buildings and supplies for the civil needs of Government Departments..... Thirdly, it has general duties in connection with the building and civil engineering and building materials industries, similar to those exercised, for example, by the Board of Trade for various other industries."

Although the separation of the Secretariat and Executive functions are not so well marked in the Indian Ministry of Works, as it is in U.K., one is struck by the remarkable similarity in the basic elements of organisation that exists between the administrative set-up in India and U.K. There, as here, it is recognised that "ideally no doubt the Civil Service would work much more efficiently if the headquarters staff of each department could be housed in a single building specially designed for its use and if all major departments were housed close by each other and within easy reach of Parliament." This is an old aspiration, and as quoted in the book under review it was expressed in *The Times* of the 31st May, 1855 :

"It is really impossible to exaggerate the economy of labour, the increase of effective supervision, the saving of time, and the means of effecting necessary reforms and amalgamations, which would be realised to the country if all these scattered offices could be gathered into a few commodious and contiguous buildings."

Admittedly, the provision of appropriate accommodation is the major duty of the Works Ministry. Unlike India, however, in U.K. the Works Ministry apparently do look after the centralised supply of furniture and fittings, fuel for heating, etc. The specialisation involved in certain types of construction or maintenance, as in the case of ancient monuments or other structures of archaeological importance, has not resulted in a miniature Works Ministry with its attendant Executive Departments being created in the Ministry that may be concerned with the subject of archaeology—a development which has taken place in India after a good deal of inter-departmental discussions, if not disputes.

A major difference in the scope of the work of the U.K. Ministry of Works and its Indian counterpart lies in the attention the former pays to the building industry and the industry producing building materials and the close co-operation and liaison it maintains with them. To some extent the setting up of the National Buildings Organisation under the Works Ministry in the Central Government of India may lead to the development of such functions for the Indian Works Ministry also, although for historical and other reasons the prominent part which the Industries Ministry of the Government of India is bound to take in these industries also is likely to necessitate much closer co-ordination between the two Ministries.

Although it is not so clearly brought out in the book, it is apparent that it is the architect and not the engineer that really has what may be described as the composite or final responsibility for construction. This is the reverse of what obtains generally in governmental construction organisations in this country. Notwithstanding this seeming difference, in actual practice the constructions depend on the complete co-ordination and understanding amongst the architect and the engineer and the quantity surveyor. Once this need for collaboration is admitted it is a matter of indifference whether the head of the Executive Department is an engineer or an architect. The practical problems that arise there are similar to our own; for there also the Ministry fulfils the functions of both the client and the architect, the client's function differing as it does here depending upon whether the building is for a generalised purpose or for some special purpose such as a research laboratory or hospital and depending also on whether the cost of the building is to be paid for by a Service Department or otherwise. They have, as in India, a separate construction agency for the Defence Services. There also occasions arise when eminent private architects are appointed to design and supervise the erection of important buildings. An interesting comment from which we in India might derive some consolation is : "On completion of a scheme a final report is made by the architect to the administration who in turn reports final costs to the Treasury or to the principal Department on whose behalf the work has been done. That is not the end of the story, for the quantity surveyors, the staff of the Contract Directorate and the Accounts Division (for us the Auditor-General and Public Accounts Committee may be added) may be kept busy long after the building has been occupied to the satisfaction of the Department concerned."

As mentioned earlier there is a remarkable similarity in the nature of the functions and duties of the Indian and the British Ministries of Works and it would be well worthwhile for those interested in problems of administration in India to study this comparatively brief book. It is bound to

create a further desire for more detailed and intimate study of the various methods adopted in U.K. for solving the many problems that arise. But whatever the organisation, particularly the larger and more complex it is, its "efficiency can only be achieved and maintained" as observed by Sir Harold Emmerson, "by a continuous and conscious effort of leadership and direction from senior officers. It is not sufficient merely to have good methods and clear instructions. As in many other spheres of activity, therefore, the greatest problem is the human one and the greatest need is to recruit and train those who are likely to be the leaders of the future."

—S. Ranganathan

**ECONOMICS AND PUBLIC POLICY—Brookings Lectures 1954;**  
By ARTHUR SMITHIES, *etc.* Washington, The Brookings Institution, 1955,  
vii, 157p. \$2.

**ECONOMICS AND THE PUBLIC INTEREST; Ed. ROBERT A. SOLO.** New Jersey, Rutgers University Press, 1955. xiv, 318p. \$ 5.75.

Three common threads run through the Brookings Lectures 1954 and the collection of essays written in honour of Mr. Eugene Ewald Agger. These are the role of economics and of the economist, the influence of economic theory upon social policy and the relation of freedom and economic progress. Events move and conditions change at a pace and in ways which keep social sciences on the defensive. This is specially true of economic science. The economist is expected to provide solutions to practical problems and is answerable for the consequences of policy in a manner more exacting than that required of the philosopher, the sociologist, the political scientist and even the psychologist. In this sense the role of the economist is akin to that of the scientist and the technologist. Each of them is concerned with the problems of conservation and maintenance, of change and growth. Each of them has a vital part in keeping the social order on the move, preventing breakdowns and preparing for the future. In the race against events each of them needs an apparatus of theory and a social perspective. Of the three, the economist deals with complex human and social motivations and his instruments of analysis are much less able to deal with the phenomena which confront him and sometimes overwhelm him. This compels leading exponents of the science to look inwards and to ask themselves basic questions about their role and obligations and of the purpose which their science may fulfil.

Everyone recognises that as social conditions change, as the ends to be achieved are redefined, economic science and the economist are required to perform new tasks. As Mr. Robert A. Solo has put it, economics has to serve at once as a social philosophy explaining those social phenomena which we chose to describe as economic, as a moral philosophy for providing "welfare" guidance in the formulation or evaluation of social policy and as a practical technology for suggesting effective solutions for specific problems of particular societies. The economist may not always distinguish the particular function which he assigns himself at a given moment. For, as Professor Jacob Viner points out, economic theorists may operate in several "universes of discourse" such as being engaged in intellectual analyses without ulterior motive, conforming to the historical tradition of the profession

or revolting against it, seeking to contribute to an understanding of the economic process or, finally, attempting to solve specific problems of society. In increasing degree, as a result of the challenge of social problems which the economist has to meet, his major concern is, in the language used by Professor Arthur Smithies in the first of the Brooking's Lectures, "to determine the economic conditions whereby society can realise its aspirations to recognise that there is continued interaction between the economic means employed and the objectives that a society sets for itself, and to propose changes in those objectives when economic analysis reveals that society may be frustrated through the pursuit of contradictory ends."

The problems of reconciling varying objectives occur in all social systems, but they belong essentially to a free society. In an authoritarian system, as in times of war, a single objective has overriding importance but where important economic and social objectives are to be achieved in the conditions of freedom and peace, the central problems are those of balancing, of the little more of one and the little less of another in a given situation and in a given period, of achieving several aims together and yet maintaining a fairly harmonious combination of them all. These problems of choice and balancing are met with in every field of social policy and the Rutgers University essays afford several useful examples, as in Milton Friedman's paper on the role of Government in education, Mr. Alexander Balinsky's analysis of public finance and the public interest, Mr. Leopold Kohr's view of the size of a community as a decisive factor in determining the character of its economic system or in Mr. Robert J. Alexander's argument that countries wishing to industrialise must make up their minds pretty early in the process as to which sections of the population will, in the main, bear the cost of economic development.

This brings us to the heart of perhaps the most fundamental of the current issues, namely, the conditions under which freedom and economic progress may advance together. This is a theme which calls for a comprehensive approach and philosophy derived as much from an understanding of science and technology as from social disciplines, and collections of essays and lectures can at best only illuminate some aspects of the problem. Here the Brooking's Lectures make a valuable contribution. All the lecturers would agree with Professor Lionel Robbins, that freedom may not be an ultimate good, but it is an essential condition of anything that is, that order is an indispensable condition of freedom and that there is a vast difference between an order that is imposed and one that is achieved. Although the achievement of economic progress with freedom is recognised as an aim of the greatest significance, none of the papers in the two studies considers the issues from the standpoint of those areas or countries which have a high stake in the precise manner in which the possible conflicts in fact come to be resolved. One notes with regret that in the one essay in the Rutgers University collection which comes nearest to the consideration of the subject, there is a degree of misunderstanding of some of the essential facts. Basing his analysis mainly on Indonesia, but not without a reference to India, Mr. Harry D. Gideonse, President of Brooklyn College, has observed that "the modern form of Asiatic 'nationalism' is not an alternative to communism, but its most fruitful preparation. Meanwhile the basic pillars of economic development have crumbled away: foreign capital has disappeared and foreign technical assistance has become costly and short term in character." In a

world which discards the ideas of exploitation of one country or of one class or group by another, freedom and prosperity alike have to be built upon new foundations and with new pillars. Economic science has a great part in this task of reconstruction, but as a body of specialised knowledge subserving freely accepted social ends and values.

—Tarlok Singh

**THE HOOVER REPORT 1953-1955;** By NEIL MACNEIL & HAROLD W. METZ. New York, The Macmillan Company, 1956, viii, 344p. \$6.

Messrs MacNeil and Metz have done a great service by summarising and explaining the main recommendations of the Commission on the Organisation of the Executive Branch of the Government. They have also introduced the public to the method that was followed by it in conducting the study of the colossus that is the administration of the United States. For foreign readers and students of public management that is the more enduring part of the book.

Except for a few aspects of a general character, the recommendations breathe of the locale for which they are meant. In fact, the main objectives formulated by the Commission for enquiry related to such subjects as safeguarding the separation of powers, the prevention of interference in the private enterprise system, the continuance of the Congressional control over the purse and the civilian control of the Government. The conduct of the activities of Government in a most efficient and economical manner was the last of its objectives. It is, therefore, no wonder that the Summary in the form of this book enlarges upon such question as erosion of liberty as a result of growth of Federal agencies and directioning of the thinking of the people by bureaucracy. It is an irony of fate that Mr. Herbert Hoover, the distinguished Chairman of the Commission, when asked to name one and the only one recommendation that he would like to see accepted replies without hesitation, "I would pick the recommendation for the setting up of a senior civil service." He added: "We must make civil service so attractive, so secure, so free from frustrations, so dignified that the right kind of men and women will make it a career." This simultaneous canonisation and damnation of bureaucracy is a contradiction in terms though it proves that stable bureaucracy is fundamental to good government. Its functions are the creation of politics but it is the efficiency of its methods of work that determines its success in whatever role it may be cast.

It is difficult to review here in detail all the recommendations of the Hoover Commission. Two subjects, however, are of considerable interest to the Indian reader: the procedure followed by the Commission for organising its studies and its recommendations on 'Paperwork Management'.

In view of the large size of the government organisation, the task force method of study was employed. It consisted of forming teams of competent personnel for the study of a particular aspect of the Government. Eighteen teams comprising two hundred technicians and public workers were organised to study such diverse subjects as Water Resources and Power, Transportation, Overseas Economic Operations, Personnel and Civil Service, etc. Many

of the persons employed were busy men who had to make personal sacrifices to do so; almost all of them served without compensation and many of them paid their own expenses. It is a tribute to the public spirit of the galaxy of talent that the Commission was able to draw upon. It shows that the cause of good government is rooted in proper civic sense and responsibility developed in its citizens. Politics may divide but the cause of efficiency in governmental machinery should unite the people to whatever profession they may belong.

The Task Forces were given a free hand in preparing their reports. They took advantage of the material already available in each area of work. Although the Commission was authorised to subpoena persons or documents it had no occasion to do so. Government officials mostly co-operated with them realising that the Commission was doing the job which they would have done had they the time. The objective of the enquiry was not to make an exposure or merely to uncover dirt and as such there was no place, in the method of study for the snooper or the confidential agent. The reports of the task forces were voluminous documents but none, except one, was accepted without thorough grilling at the hands of the Commission. As many as eight drafts had to be prepared before the Commission considered them in a formal session for a final decision.

The task of analysing and studying government operations, with a view to economy and efficiency, is always long and laborious. It requires not only an extreme degree of patience but also the qualities of an astute salesmanship. It is necessary to prove demonstrably that alternative methods proposed are superior to existing methods of work. "Pilot surveys" and "case studies" have to be conducted by persons whose competence to do so is unquestioned. The Commission has, however, shown that the study repays manifold in increase in efficiency and avoiding of delays. One of the characteristic proofs of this is in their work on Paper Management and Red Tape. The Commission has done a real pioneering job in focussing attention on excessive use of paper within Government and in assessing not only its effects on the machinery itself but also the burden it imposed upon industry and the general public. The Federal Government in the U.S.A. handles each year more than 25,000 million pieces of paper which if placed end to end would stretch from the earth to the moon thirteen times. This excludes pamphlets and books issued by Government agencies. The filing of correspondence, forms, reports, directives and other records has resulted in occupation of more than 24 million cubic feet of Federal records. Each year Government bureaucrats write more than 1,000 million letters which cost the tax-payer \$1 each. Inserted in envelopes, they will make a stack 390 miles high. Since 1912, the correspondence per employee has increased from 55 to 522. The possibilities of savings are limitless. Improved letterwriting techniques, namely, standardised texts and wider use of post cards and forms, resulted in the Baltimore office of the Internal Revenue Service in a saving of more than \$157,000. A wider use of these improved techniques may save the tax-payer \$5.5 million throughout the Internal Revenue offices. Reduction or simplification of printed or mimeographed forms eliminated 21,000 forms at a saving of \$2 million in the Navy Department. The possibilities of savings in this category are large. The results of pilot experiments indicated that every additional expenditure of \$1,000 on rationalisation of paperwork resulted in a saving of \$32,000. The total number of forms used in the U.S.A.

are 18,000 million at a total cost of \$867 million. A review of reports received or transmitted for internal use in one establishment led to their reduction from 1,400 to 600. The main conclusion of the Commission, for which ample supporting evidence is available, is "agencies too often lack a clear-cut concept of the value of economies possible from careful attention to paper-work management."

The work of the Commission in assessing the burden placed by paper-work on the community in general yielded considerable room for economy. The Task Force on Paperwork Management got committees representing 29 industries to meet representatives of 33 bureaus to study 328 paperwork items in a move to discover possible savings by the use of work simplification methods.

The Force made a large number of suggestions, many of which were accepted straightaway both by Government and the industry. As an example of the type of work done, the Commission saved 960,000 forms prepared annually by consignees to clear shipments through customs. Through the use of a rubber stamp applied to the airways bills of lading and invoices, the need for the forms was eliminated resulting in a saving of \$2 million a year.

Another avenue for saving was in the matter of obtaining statistical information from the public. All industrial users of peanuts, for example, had to report their consumption to the Department of Agriculture. By fixing a minimum limit for not reporting at 10,000 pounds a year, a considerable saving was effected.

The conclusion of the Commission was that the Federal Government could save at least \$255 million a year of its own expenditure and the community could effect a saving of \$100 million. As a proof of this, the results of the pilot surveys have actually yielded a saving of \$10 million for industry and \$5 million for the Government.

The methods of evaluation followed in some other spheres of governmental activities give a useful lead to students of public management. The analytical techniques of task forces could be developed, with adjustments, to suit other circumstances.

Economy cannot be ensured in modern Government unless its practice becomes a national discipline. Enquiries like the one which the Hoover Commission undertook are useful in focussing attention on delay and waste but they solve the problem of administration only at a point of time. The Commission was fully aware of this and had suggested a number of enquiries to be undertaken later by Government itself. The Report pinpoints the necessity of forging arrangements, within the organisations, for continuous evaluation of the procedures of work for the expeditious achievement of results in pursuance of policies laid down by democratic processes.

The value of the book thus lies in stimulating thinking among citizens on the activities of their Government, as ultimately it is they who have to bear the cost of waste and delay both directly and indirectly. The Report, which was a voluminous document, is out of the reach of many both in terms of

money and time. Its epitome in the form of this book gives an adequate insight both into its recommendations and the methods of work employed. The authors have generally done their job well as the narrative is lucid and written in non-technical language. It is a performance of great merit having regard to the fact that it is now becoming a tendency in many quarters to use the fast developing jargon in the field of management surveys.

—Indarjit Singh

**NEW SOURCES OF LOCAL REVENUE : REPORT OF A STUDY GROUP OF THE ROYAL INSTITUTE OF PUBLIC ADMINISTRATION.** London, George Allen & Unwin Ltd., 1956. 260p. 25s.

For some time past, English Local Government seems to have been under re-examination by researchers and study groups anxious to cry a halt to the process of increasing central control and the consequent loss of the autonomy of the local bodies. The present study attacks the problem from the financial side. Local authorities in England and Wales nowadays derive a progressively dwindling portion of their income from their own sources and a correspondingly increasing proportion from grants-in-aid from the Central Government, as would be clear from the table given below :

<i>Year</i>	<i>Proportion of Central Grants to total local Revenues in England and Wales</i>
1913-14	22%
1938-39	35%
1953-54	42%

Thus, over a period of 40 years, the proportion of Central grants to the total local revenues has nearly doubled. In certain counties and county boroughs the central grants constitute 73 to 81 % of the total local revenues. The increasing dependence of local authorities on Central grants has resulted in increased administrative control of the Central government. It is the old story of the player of the piper claiming the right to call the tune.

The study reveals that if this tendency is to be arrested, local bodies must have more resources of their own. The ways and means of that are discussed in detail. Briefly, the proposals are :

- (1) The rate should be retained and broadened by the abolition of the de-rating of agricultural and industrial property,
- (2) Certain fields of taxation hitherto exploited by the Central authorities should be made over to the local bodies, e.g. the entertainment duty, driving license fees, and motor vehicle duties, and
- (3) Local authorities should be given power to impose a local income tax confined to personal incomes, the maximum rate not exceeding 3d. in the £.

It has been estimated that the re-rating of agricultural and industrial property would result in an additional revenue of £115 millions, and the local



income tax in £150 millions. One wishes that the book had also given an estimate of the total percentage by which these and other additions suggested would reduce the dependence of local authorities on central grants, but the reader has been left to make the calculation for himself.

The authors are conscious of the difficulties which their proposals would encounter. A new tax such as the local income tax would be unpopular. Re-rating of agriculture and industry would require subsidizing them from the Central Exchequer. Transfer of entertainment and road transport taxes too would make a hole in the central revenues. Their answer to the reluctance of tax-payer to shoulder the burden of a local income tax is : 'This is the price you have to pay to preserve the independence of the local Government'. To the Central Government's reluctance to surrender some of its own taxes, they say 'You would have to find the money anyway—if not by surrender of taxation power then by grant to local authorities'. Whether both these answers would convince the tax-payer and the Government is another matter.

The crux of the problem is this : The modern welfare state such as Britain, has assumed the obligation of providing certain minimum services for the people all over the country irrespective of the means and resources of particular local areas. It must, therefore, make up the deficiency of resources in the less favoured areas through grants-in-aid. That necessarily involves taking away from Peter to pay Paul. If Peter insists, in the name of his independence, on his right to keep what he considers his own, where is the money for Paul to come from? The authors themselves admit that their proposals would result in maximum benefit to those local authorities 'who are already in the strongest financial position'. Whether it is advisable to make substantial changes in the tax system to achieve this result must remain a matter of opinion.

The chapters on the rate and its modifications are written with considerable insight. The survey of the local financial systems of some of the overseas counties is instructive and valuable for the student of local finance. The chapters on the local income tax in Sweden present material which is not easily accessible in the English language elsewhere. Altogether, the book is worth study by all serious students of local government.

—M. P. Sharma

**THE CIVIL SERVICE—Some Human Aspects; By FRANK DUNNILL.**  
*London. George Allen & Unwin Ltd., 1956, vi, 226p. 18s.*

Frank Dunnill has attempted to place before the reader some human aspects of the executive and clerical aides in the Civil Service of Britain. He begins with a brief description of how officials are selected, deployed, promoted and trained. In a quite interesting account of the pressures to which the Civil Service has been subjected, in particular during the war years, Mr. Dunnill further shows how the composition of the Civil Service has changed, with a preponderating element of the promoted civil servants now at the executive and administrative levels. The views expressed by him sound rather familiar as when he says that policy is formulated by a small corps

of ubiquitous amateurs—of civil servants—“who know next to nothing about almost everything”.

The pattern of the Civil Service structure of Britain is given in some detail and the central position occupied by the Treasury is high-lighted. The Treasury not only controls the purse strings but also exercises a piecemeal but not ineffective influence in the shaping and deployment of about three-quarter million non-industrial civil servants. The Treasury exercises this influence in staff matters through its Establishment Officer, its training units and the Organisation and Methods Division. The training today leaves much to be desired, the most of it being done on the job. The success or failure of training depends on the training officer. If he is a capable and practical man, the training he imparts would pay dividends during the future career of the person trained.

Mr. Dunnill also observes that at present the extent of the influence of the Organisation and Methods Division is limited; the results so far achieved are “patchy and somewhat spasmodic”. There are sectors in which O & M techniques cannot be applied without trenching on ‘policy’ and without the continuous and active participation of the junior administrators and senior executives. This is of particular interest to our country where we have just got going with an Organisation and Methods Division. Unless we are prepared to learn a lesson from the British experience, our O & M Division may not fare better in any way.

Britain too had to face the same difficulties of accommodation as we in India. Apart from merely listing these difficulties, no mention has been made of the efforts to overcome them. Perhaps Mr. Dunnill takes it for granted that the solution lies in more and better buildings.

The relationship of the civil servant to the Minister and Parliament has been brought out in two chapters (VI & VII). ‘Ministers are, as a race, scribblers, authors of marginalia and of invitations to informal discussions.’ A Government Department has been compared to a stately elephant with a Howdah in which the Mahowt—Minister—sits. The comparison appears to be quite apt and would apply with equal force to the Departments in our own country. The conclusions drawn are in no way different from what we could draw, namely, that much depends on the proddings from the Minister and the sincerity of individual civil servants to make things move fast.

Government machinery has grown to enormous proportions everywhere. So has it in Britain. With the State taking over more and more welfare activities this is bound to happen. What is needed is an intelligent use of the men who form this machinery. This, in short, is the sum and substance of Mr. Dunnill’s pleadings regarding the use of manpower in the Civil Service. The most important problem in personnel administration today, he feels, is “how to breathe life and meaning into the service, particularly at points where it most frequently comes into contact with the ordinary, unorganised and unrepresented members of the public.” The measures suggested include training of junior administrators, opportunities for young executives to meet their contemporaries in other departments, grant of special allowances for improving qualifications, and a small committee of the

representatives of the Department, its staff, the public and parliamentarians to be set up to ask questions on matters arising out of the Department's relations with the public. However, it is not going to be easy to build up and maintain the goodwill of the public.

Mr. Dunnill's account of the human aspects of the Civil Service in Britain reveals that, after all, we in India are not so badly off when compared with the efficiency of the government machinery of that country. The book should, therefore, be of special interest to administrators and public servants in India. Administrative efficiency in this country equally depends on effective personnel management. Here, work attitude of public servants, and their proper placement having due regard to their abilities, are not less important than good methods of recruitment and training.

—*P. Prabhakar Rao*

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## SELECTED GOVERNMENT PUBLICATIONS

The following are some of the important government publications recently added to the Institute's Library :—

### Union Govt.

#### Education, Ministry of

General education : report of the Study Team. Jan. 1957. 97p.  
Rs. -/14/-

Syllabus for three year diploma course in rural services. 1956.  
37p. Rs. -/9/-

#### Finance, Ministry of

Indian tax reform : report of a survey, by Nicholas Kaldor. 1956.  
[5], iv, 139p. Rs. 1/8/-

#### Food and Agriculture, Ministry of

Report of the Indian delegation to China on agricultural planning and techniques. Oct. 1956. [4], 199p. Rs. 1/-; 1sh. 6d.

#### Health, Ministry of

Interim general plan for Greater Delhi; prepared by the Town planning organization. 1956. xiii, iii, 154p. Rs. 2/4/-

#### Health, Ministry of. Central Council of Local Self-Government

Local self-government administration in states of India, 1956. iii, iii, 149p. Rs. 2/2/-; 3 sh. 6d.

#### Information and Broadcasting, Ministry of

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## CONTENTS

	<i>Page</i>
Morale at Subordinate Levels	<i>Paul H. Appleby</i> 97
Some Reflections on the T.V.A.	<i>D. G. Karve</i> 99
Recent Experiments in Local Self-Government in India	<i>M. P. Sharma</i> 104
Re-organising the Indian Income-tax Department (II)	<i>Indarjit Singh</i> 112
Selection of Officers for the Armed Forces	<i>Sohan Lall</i> 125
Management Studies and Training	<i>L. S. Chandrakant</i> 135
Statistics and Plan Administration	<i>B. Ramamurti</i> 143
Recruitment and Training for Public Services	<i>(Seminar Papers)</i> 152
Editorial Notes	164
News from India and Abroad	165
Institute News	171
Digest of Reports	
Estimates Committee, 40th Report [Ministry of Community Development (C.P.A.) Part II].	173
U.K. Committee of Enquiry on the Rehabilitation, Training and Resettlement of Disabled Persons	175

## Book Reviews

<i>The Making of an Administrator</i> (Edward Bridges, etc. ed. A. Dunsire)	<i>Y. N. Sukthankar</i>	181
<i>Delegation in Local Government</i> (Peter G. Richards)	<i>A.D. Pandit</i>	183
<i>Reports on the Indian General Elections</i> 1951-52 (ed. S.V. Kogekar and Richard L. Clark)	<i>Marguerite J. Fisher</i>	185
<i>Civil Service or Bureaucracy?</i> (E.N. Gladden)	<i>V. K. N. Menon</i>	187
Selected Government Publications		188

# THE INDIAN JOURNAL

## OF

# PUBLIC ADMINISTRATION

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Vol. III

April-June 1957

No. 2

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### MORALE AT SUBORDINATE LEVELS

*Paul H. Appleby*

THE Chief Minister of an important state, while addressing a conference of the Collectors of that state, observed some time ago that key personnel in the government generally worked very hard, but that there had not been much success in getting subordinate personnel equally to extend themselves. Allowing for exceptions in individual cases and in some special locations, I think his observation applies broadly to the whole government of India and its states. Yet the general existence of good *morale* in all levels of an organization is a primary essential to good and effective performance. Not enough of high-level attention has been paid to this problem, and amelioration can come only by high-level attention.

In my observation, the following are factors contributing to present poor *morale* in lower ranks :

(1) The failure of people in upper ranks to demonstrate a real personal interest in subordinates individually and in the welfare, needs and possibilities of subordinate personnel generally. A very remote and cool relationship is the rule.

(2) Communication with subordinates is too largely a matter of giving orders, demanding particular things, criticising mistakes, with too little encouragement, praise, instruction and solicitation of the kind of help to be had only from people treated as equals.

(3) Promotion is too slow. When it comes, seniority counts too much.

(4) Pay is often too low to keep the better people, and too low to stimulate good performance.

(5) Interference in administration by political personages in the field is often not resisted at intermediate levels ; hence the

inclination of the field underlings is to follow the path of least resistance and comply with the demands of the politicians.

(6) There are no adequate systems of in-service training and development available to all types of employees.

(7) Administration of subordinate activities is too much in trivial rules and practices—keeping attendance records, assigning the handling of notes or cases on a numerical basis as if one case or one note were always equal to any other. Practices of this sort are undignified for all concerned, demand both superiors and inferiors, and put a premium on literal performances instead of on zeal, imagination and ingenuity.

(8) Many thousands of persons who have been employed for years feel needlessly discriminated against because they are in a “temporary” status still. While it is in general too difficult to discharge anyone working for the government, there is no gain in this respect for the government through keeping in temporary status persons who will in fact be as permanent as those who have formal, permanent status. At least three-fourths of the temporaries who have been employed for a year are in fact permanent. There is no sensible reason why 90 per cent of those who have been employed for two years should not be recognized as permanent.

(9) Where high ideological and programmatic zeal cannot be expected, an appeal to craftsmanship is moderately good substitute. India has many good craftsmen. But the papers circulating in the government—and often papers emanating from government and going to the public—are sloppy, mis-spelled and poorly written in archaic phraseology laboriously formal and lacking in warmth, colour or “lift” Craftsmanship in the government seems to be insufficiently appreciated and rewarded.

(10) One net result of these things is that subordinate personnel have no sense of mission, of being important parts of very great enterprises carried on for the betterment of the country. Often they are given no possible means of seeing any connection between what they do and the goals of revolutionary India. Nor has the treatment accorded to them provided any evidence that there is a revolution.

## SOME REFLECTIONS ON THE T.V.A.

*D. G. Karve*

AS an autonomous corporation established by law to attend to all-sided development of a region the T.V.A. has assumed universal significance. Its purposes, history and organization have attracted wide interest. Some of the aspects of its growth and evolution are of topical importance. It is generally known that the corporation is an 'autonomous' one. This, however, implies that the corporation has a specific assignment, and it has a legal entity to enable it to carry it out. Its general accountability to the nation through Congress remains unimpaired. How specific national purposes are realized through creation of a separate lawful authority is interesting to notice. In the first place the composition of the directorate, though appointed by the President, and subject to confirmation by the Senate, has been by convention kept on a non-political level. The Directors are drawn from among eminent persons with long experience in several technical fields. As a rule education and science have been well represented in the directorate. Appointment to higher posts is made through a Services Selection Committee on the basis of appropriate qualifications. Many of the senior officers have reached their present positions in the service of the Authority itself. They have often chosen to work with the organization on a reasonable salary rather than seek competitive employment elsewhere. As for the others, both in regard to qualifications and terms of service the Authority maintains standards which are comparable to similar public employments. So far as junior and technical personnel are concerned their conditions of service are governed by industrial agreements operated through representative panels of employees. It is a novel, but significant, idea to obtain from all senior employees an oath of allegiance not only to the Constitution of the United States, but also to the organization and purposes of the T.V.A. Where personnel has to be appointed to give effect to new social concepts and ideals the unflinching devotion, and not merely professional loyalties of the staff, are essential for success.

It is only natural that any overall decisions of personnel policy, e.g. giving preference to ex-servicemen, are honoured by the T.V.A. personnel boards along with other public agencies. But in all respects

concerning the framing of conditions of service, recruitment and discipline the T.V.A. is fully autonomous. Every office has an employment division which maintains a standing list of applicants for all posts, the nature and requirements of which are described in circulars available to all. Supervisors in charge of offices or works are asked to describe in detail particulars of the type of persons whom they want for their jobs. With this information in its possession, the personnel section makes a preliminary selection of eligible candidates from among available applicants. This list of eligibles would then be sent to the Personnel Officer, who would make a more intensive scrutiny and send in a panel to the head of the office or works. The head would then make his final choice, after holding a personal interview if he considers it necessary. Usually half the travelling costs of the interviewed candidate are borne by the T.V.A. Appointments to superior posts are, as far as possible, made by promoting staff already employed in any of the branches of T.V.A. The decision is taken by the head of the employing office. Aggrieved parties may complain to him. Normally he is ready to give reasons for his decision to the complainants. If there is reduction in staff, not the junior most, but the least useful is discharged first. By long experience personnel policies in all respects are now standardized and are well understood by officers as well as other staff. Most things are reduced to detailed circulars.

It is not surprising to hear that the respective authorities of the Federal Government have often attempted to bring the T.V.A. operations under their normal procedure and control. This effort has, however, not been successful. The reasons for the creation of an autonomous public body like the T.V.A. are still fresh in the minds of legislators and the public. Exactly because the usual authorities in their usual way would not be able to accomplish a particular task an extraordinary public authority was set up. It was told what to do. But it was deliberately not fettered with too many specifics as to how to do it. This indeed is the peculiar strength of the T.V.A. On its side the T.V.A., as a public authority administered by persons who have not only high competence and experience, but who also possess a record of high responsibility, have kept fresh their awareness of basic principles of business as well as of public administration. They have tried to keep as close to approved procedures of these two as possible, and they have gone on improving and adapting them from time to time. By their record of success and fairness they have created a presumption in favour of their free judgment. Some of these procedures are suggestive.

The T.V.A. is many things rolled into one. It is also a manufacturing and construction company. It prides itself on its competitive performance in these spheres. It was reported that in a recent case the Atomic Energy Commission had a big job to be done. Some units of it were given out to the T.V.A. and some to private concerns. It is said that the performance of the T.V.A., in respect of cost, quality and speed, was better than that of its competitors. This only underlines the emphasis which the T.V.A. itself places on its being "on merits" a better show than its private alternatives.

As a public authority, as a construction company, and as a business unit the T.V.A. conducts huge and variegated activities. To give the Congress some idea as to the nature of these transactions, its accounts have to be cast in one "general" form. This, for comparative purposes, has to be kept up from year to year. But the really appropriate and serviceable accounts are maintained in special financial and cost account forms, which though not novel, are a deliberate adaptation. It is recognized that as the T.V.A. is a public authority its accounts should be available for scrutiny to the Controller General, who also reports to the Congress. But two features of this procedure are noteworthy. For the audit of Governmental concerns, since 1945, the Controller General has a separate section which is manned by experienced business auditors, whose scrutiny the T.V.A. would itself accept as a competent professional examination. Secondly, side by side with the Controller General's report the Congress and the public would receive the T.V.A.'s report as well, and both Congress and public are well trained to read such reports with understanding and caution. A business document is used in a business-like way, and as a rule no political capital is sought to be made out of what auditors call an "irregularity", for which the average politician's term is a "scandal". In evolving a suitable machinery and manner of scrutiny the Controller General does not give up "control"; he only makes it more flexible and more appropriate. How well the public, and especially the business public, took up the challenge of the new form of "business organization", namely, the autonomous corporation, is illustrated by the fact that the Controller General has always found it possible to attract eminent commercial auditors to his special section, not on account of higher earnings—because these are not provided—but on account of the challenge of the assignment. This constructive and co-operative attitude on the part of the legislature, administration, corporation and business would appear to be essential for the evolution of appropriate forms of administration pertaining to "public business."

A similar appreciation of the need for flexibility is shown in regard to budget procedure. The T.V.A.'s own budget, apart perhaps from expenditure on headquarter offices, can only be programmes of work, balancing a side of investment and expenditure, with that of achievement and production. In such a balancing it is the resultant, which is the decisive factor, not each couple or series of items. In fact in several of these constituent items there is occasionally an element of calculated imbalance spread over time and space. While, therefore, the Congress has each year to pass a bulk appropriation for the T.V.A., in doing so it takes into account the detailed programmes submitted by the T.V.A. and the President's own message giving an appraisal. Appropriations made for individual programmes do not lapse, and in several other spheres, *e.g.* reimbursements, considerable year-to-year flexibility is allowed. But this does not mean that the T.V.A. can escape with anything. Not only are trained eyes prying into their affairs within and outside the administration, but they also have to take to heart the moral of the saying : "You cannot fool all people for all time." From year to year the T.V.A. has to maintain its reputation for economy, efficiency, success and above all, a sense of responsibility towards the public. Reports are that this has been well achieved by the T.V.A., which fact is both an effect and a cause of the flexibility and understanding shown by the Congress and the administration.

In its relations with collaborating organizations within its area, the T.V.A. follows the same policy of helpful influence, rather than of a regulatory authority. In the special context of the resources of the area, location of plants is guided more by availability of water, than of power which may be had almost anywhere. The industrial as well as housing policy favoured by the T.V.A. is one of planned decentralization. To enable it to offer the best possible advice on both these scores, it maintains a staff of experts who collect and use all available data bearing on these respective responsibilities. With this in their possession, they approach industrial enterprises as well as local authorities. It is through the voluntary choice of these that final decisions are taken. Build up a body of adequate technical knowledge and guidance, and make these available to people concerned at the appropriate time—this with a little further backing of support or special concession produces the right decision. But the process is primarily educative and democratic. As a federal agency the T.V.A. is exempt from local taxation on its property. Even so, the T.V.A. makes payment of 5% of its local income as 'voluntary contribution' to the resources of the local authorities. In common



with the rest of American life, the T.V.A. is not much bound by rigid ideas of proper procedure and precedent. So long as the job is well done, and accepted canons of fairness and propriety appropriate to the functions are followed the corporation is not only permitted, but is actually expected, to devise its own institutional and procedural devices. Democracy and efficiency are both utilized as aids to growth and are on no account permitted to be used as excuses for stagnation.

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“Official morale depends to no small extent upon the general standards of the community in which the particular service operates, for it is clear that even if we have a right to expect the official to set an example, it would be unrealistic to insist that the gap between the two spheres should be a wide one...Constant vigilance on the part of the public is the only safeguard against the growth of bureaucracy. On the other hand a tendency to make the Service a scapegoat for everything that goes amiss and to hold up the official as an inferior sort of human being will gradually undermine the highest morale, rendering the average official despondent and apathetic in the performance of his daily tasks.”

—E. N. GLADDEN  
(in ‘Civil Service or Bureaucracy?’)

## RECENT EXPERIMENTS IN LOCAL SELF-GOVERNMENT IN INDIA

*M. P. Sharma*

**L**OCAL Self-government in India, as developed during the British rule, had certain well-marked characteristics of its own. In the first place, it had a uniformity of structure and functions. Such variations as existed between the local bodies of the same class in the different provinces were neither many nor very important. Everywhere the local bodies consisted partly of nominated members and partly of members directly elected on a restricted franchise. The chairmen who were the executive heads were indirectly elected by the members and could usually be removed by them by a no-confidence motion. The functions were of the conditional kind, concerned mainly with health and sanitation, primary education, local works, and a few trading services in case of the urban bodies. Secondly, the local self-government system of India was, on the whole, non-hierarchical. Instead of the higher local bodies supervising and controlling the lower ones, the latter had direct relations with the government and its supervising officers. Thirdly, there was almost a complete separation of rural local areas and authorities from the urban, so that the latter were independent of the former, constitutionally, functionally as well as financially. This arrangement was not very favourable to the prosperity of the rural local bodies which found themselves deprived of the power of taxing the inhabitants of towns and cities which are centres of wealth and population and contribute, in most of the foreign countries, a good deal to the revenues of the rural local bodies; but it did away with the difficult problem of the struggle of the urban communities to get free from the jurisdiction of the rural local bodies of the surrounding area—a problem which exhibits itself in England in the shape of attempts of the boroughs to obtain the status of the county boroughs, in the U.S.A. in the so-called city-county consolidation movement, and in Germany in the attempts of the towns to get circle-free.

### II

The uniformity of the pattern of local government in India in the past was largely due to the unitary form of government which the country had until 1937. Beginning with 1870, a series of the resolutions

of the Government of India laid down, from time to time, the form and the pace of advance in local self-government. With the advent of provincial autonomy in 1937, it was natural that the various provincial governments should wish to develop local self-government institutions in their respective areas along their own lines and the process began almost immediately. During the year 1937-38 many of the provincial governments appointed Local Self-government Enquiry Committees to recommend measures of reform. An interruption came on account of the outbreak of the world war II and the consequent constitutional deadlock, but when the country obtained independence in 1947 and adopted a federal form of government, the way for reform and change opened up once again and the broken threads of reorganization of local government were resumed. During the last ten years local government structure in most of the states has been remodelled to varying extents. As a result of these developments, local government in the various states of India is no longer quite uniform. Some states have experimented along new lines and established local government systems different in their fundamentals from those of the other states.

Some of the changes which occurred were dictated by the new constitutional set-up of the country such were, for example, the adoption of universal suffrage, the abolition of the communal electorates, discontinuance of nominations, and the large-scale establishment of village panchayats. Naturally, these changes have occurred in all the states, though the pace of progress in respect of all the items (*e.g.* abolition of nominations or establishment of panchayats) has not been uniform. Other changes, in the nature of new experiments, were confined only to a few states. We may mention, by way of example, the direct election of presidents by popular vote in Madhya Pradesh and U.P. Two of the boldest and in some ways the most strikingly novel experiments have, however, been made in the sphere of rural local self-government in Madhya Pradesh and Orissa. These deserve special notice as illustrating the newer trends in the Indian local self-government.

The Madhya Pradesh Scheme, initiated by the M.P. Local Government Act 1948, is popularly known as the Janapada Scheme. Under it, the whole of the state (pre-reorganization) is divided into local areas called Janapadas. In practice, the Janapada boundaries coincide with those of the tahsils, and there were 96 Janapadas in Madhya Pradesh as it stood before reorganization. The characteristic features of the scheme may briefly be noticed here.

In the first place, the Janapada, like the English county, is a mixed area, urban and rural. All the municipalities and notified areas situated within a tahsil are integral parts of the Janapada of that tahsil. These lesser areas, within the Janapadas, function autonomously in respect of the powers conferred on them by their several constituting Acts, but, otherwise, they are parts of the Janapada constitutionally, financially, and administratively as are the English boroughs of the county. The relationship between them and the Janapada might be brought out under five points, namely, (i) the lesser areas are represented on the Janapada sabha (council) by members elected by the municipal and notified area committees of the tahsil, not exceeding 1/6th of the total membership of the sabha; (ii) municipalities and notified area committees within a Janapada may be called upon by the Government to make specified contributions to the Janapada fund; (iii) the sabha has general power of inspection, supervision, and control over the municipal and town area committees and a right of complaint to the Government in case of default in respect of water-supply, health, epidemic prevention, medical relief, and maintenance of roads; (iv) in respect of duties transferred to the sabha by the Government under Section 52 of the Act the sabha exercises sole authority over the whole Janapada including the municipal and notified areas, but excluding the city corporations of which, until the reorganization of the states, there were two—Jabalpur and Nagpur; and (v) the village panchayat areas are integral parts of the Janapada area, and the Janapada sabha can reverse or alter the resolutions of the panchayats by a two-third majority vote.

A second important feature of the Janapada scheme is that, except in matters reserved for the sabha or the standing committees by the Act or rules, the executive authority of the Janapada is vested in a Chief Executive Officer who is Government officer, generally of the rank of an Extra Assistant Commissioner. Some of the Janapadas, called minor, however, do not have a chief executive officer resident at their headquarters but are placed under the chief executive officer of a neighbouring major Janapada. In their case, the day-to-day work is looked after by a deputy chief executive officer who is the Tahsildar of the area, while more important matters are referred to the chief executive officer of the major Janapada, for decision. The chief executive officer is paid by the government and besides his duties in connection with Janapada work, does also revenue and magisterial work. In matters of appointment, posting, leave, transfer, discipline, etc. he is under the control, not of the Janapada, but of the Government. Like the French Prefect, the chief executive officer represents the official and independent type of local executive. He has a long list

of statutory powers including the power of appointment of the staff with a salary not exceeding Rs. 50 per month. By the amending Act of 1953, however, the appointing power was taken which was also empowered to demand his removal (*i.e.* transfer) from the place by a 2/3rd majority. The underlying idea of this type of executive was to provide for the Janapada administration an experienced administrator of sufficient calibre and also to facilitate the unification of the district and local administration which is one of the central objects of the scheme.

Thirdly, the Janapada scheme contemplated the transfer of practically all the functions of the state administration, except police and justice, to the Janapada authorities. In respect of the functions thus transferred, the Janapada authorities would act as the agents of the state government and obey such directions and orders as might be issued by the latter. The state government would also transfer the personnel engaged in such functions and make the necessary financial provision. This is probably the most revolutionary feature of the Janapada scheme and, if implemented, would result in the association of the elected representatives of the people with practically the whole of the district administration. The idea of associating a popular council with district administration so as to mitigate its bureaucratic character dates back to the days of Shri G.K. Gokhale who first mooted it out. To begin with, the Janapada authorities would act in respect of the transferred functions, as agents of the state government, but in fullness of time when they gained sufficient experience, these functions would perhaps vest in them in their own right. It will not be an exaggeration to say that Section 52 which contemplated the entrustment of the most of functions of state government to the Janapadas was the *heart* of the Janapada scheme. Without it, the abandonment of the larger area of the district as the unit of rural local self-government and the substitution for it of a smaller area with scantier financial resources would not be justified at all.

Lastly, the Janapada scheme is intended to be a measure of large-scale decentralization, financial as well as territorial. The functional aspect of it has already been explained. Territorially or geographically, the scheme has brought the centre of rural self-government administration nearer to the people, from the district to the tahsil headquarters. Incidentally, it also aims at putting an end to the double establishments in education, public health, public works etc., hitherto maintained—one by the state government, and the other by local bodies—and thus effect economy.

## III

Another experiment in local self-government on more or less similar lines has been attempted in Orissa through the Anchal Sasan Bill of 1953. Under the Anchal Sasan scheme, the entire state is to be divided into 118 Anchals each of which will generally include the areas of 10 contiguous village panchayats and coincide with a National Extension Block. Municipalities and notified areas will form integral parts of the Anchal within which they are situated, but the five larger municipalities of Cuttack, Puri, Berhampur, Balasore and Sambalpur are excluded and given an independent status. The Anchal Sabha will be indirectly elected by the members of the village panchayats, municipalities and notified areas each of which will be a separate constituency for the purpose. The chairman and vice-chairman of the Sabha are to be elected by the members from among themselves. There are to be standing committees for education, public health, agriculture and development, and also an executive committee with jurisdiction over finance, budget, and some other important matters. The decisions of the sabha and the committees are to be carried out by an Anchal Executive Officer drawn from the administrative services of the state government. He will have as his assistants in Anchal administration, an engineer, a health officer, an agricultural officer, and an education officer. The advice and assistance of the officers of the various technical departments of the state government at the district level will also be available for the Anchal authorities. The functions of the Anchal Sabha will include education (primary and middle but not high school), medical relief, public health, veterinary service, agriculture, village forests, irrigation, roads, and collection of land revenue and the cesses unless the village panchayats are able to take up this collection for a commission of 10 per cent. The Anchal and the panchayats will also be given control over the communal lands, leasing out of waste lands, and prevention of encroachments. The entire land revenue and the cesses will, in due course, be transferred to the Anchal Sasan to meet the case of the services under it.

The similarities between the Anchal Sasan and Janapada scheme are too obvious to need comment. The points of difference, however, deserve to be noted. In the first place, elections to the Anchal Sabha are to be indirectly the members of the lesser local bodies include in it, and not direct as in Janapada sabhas. Secondly, the area of the Anchal is smaller than the tahsil which is the basis of Janapada organisation. Thirdly, an attempt has been made to integrate the anchal area with the new developmental areas which have now emerged, while the Janapada area is unrelated to the newer areas

of developmental administration. Fourthly, the functions of the Anchal sabha, while going beyond the traditional local government functions, do not contemplate wholesale transfer to these bodies, of the subjects of state administration as the Janapada scheme does. Lastly, the financial provision for the Anchal Sasan is more definite and clear-cut than for the Janapada scheme.

#### IV

The idea of making intermediate level rural local bodies indirectly elected is spreading and gaining adherants in more than one state. It is a feature, as we have noted, of the Orissa Anchal Sasan scheme, but its feasibility as a basis for the constitution of bigger rural local bodies such as the district boards has been under examination in West Bengal, Bihar and U.P. also. In all the three states, elections to the district boards have not taken place for the last 10 to 12 years. Direct election of these bodies on the basis of adult suffrage would be a tremendous thing—a repetition, more or less, of the national and state elections. The state governments appear to shrink from the huge effort and cost involved. More than that, there is the problem of the electoral funds for the candidates and the political parties. Can these funds be raised without compromising the requirements of “purity”? Indirect elections reduce the size of the electorate, and hence of the funds and efforts needed. Mahatma Gandhi favoured indirect elections, perhaps among others, for these reasons. The Prime Minister also has in some of his recent utterances, seemed to favour the idea. The tendency to substitute a smaller area for the district as the unit of rural local government is also strong, at least in some of the states.

#### V

An evaluation of these experiments and tendencies in the Indian local self-government has largely to be of a theoretical nature at present because sufficient experience of their actual working is not yet available. The direct election of municipal presidents, in the U.P. municipalities has not produced encouraging results. In some of the cities, the president has belonged to one political party or group and the majority of members to another so that their relations have been strained and full of friction. There is already a proposal in that state to go back to indirect election of the presidents as before. The Janapada scheme of Madhya Pradesh has never been fully implemented. The devolution of the functions of the state administration which we

have called 'the heart' of the scheme has not come about, nor the anticipated transfer of additional personnel and financial resources. The net result of the change has, therefore, been that in place of 22 and odd District Councils which the state had before, now there are 96 Janapada sabhas. A large number of smaller local areas and authorities inevitably results in the increase of the overhead costs. Since additional resources to meet this cost have not been forthcoming, the Janapada sabhas lack well-qualified technical and other personnel. They have neither engineers, nor health officers, nor secretaries of their own. The E.A.Cs or chief executive officers too have been doubtful acquisitions. They have to divide their time and attention between their revenue and magisterial duties on the one hand, and local government work on the other. Many of them have shown a preference for the former to the comparative neglect of the latter. This is because of the greater prestige attaching to the revenue and magisterial work and also because the whole previous training and experience of these officers has been in that line. Cases of friction between the C.E.O. and the Janapada sabha too have not been lacking. As things stand at present, there is little prospect of the Janapada scheme being implemented in its original form. In the reorganized Madhya Pradesh, it is now found only in 14 districts of the Mahakoshal and Chhatisgarh tracts. Madhya Bharat, Bhopal and Vindhya Pradesh areas have their different systems of rural local areas and authorities. Integration of the local government over the entire state is bound to take place, and it is difficult to say which of the several existing systems will survive. It will not be surprising if an account of the difficulties noted above, the Janapada scheme may have to be abandoned or modified.

The Anchal Sasan scheme of Orissa has yet to be tried. It is more moderately conceived than the Janapada scheme and may fare better if the contemplated transfer of land revenue and cesses to the Anchals takes place and the chief executive officers have their whole-time work with the Anchal. Indirect elections may reduce election expenditure by restricting the size of electorate, but a small electorate tempts the wealthier candidates to make a bid for the purchase of votes. Thus what is gained in terms of "purity" on one side, may be more than lost on the other.

The areas of rural local government, all over the world have shown, in recent years, a tendency towards constant widening. Financial and technical considerations have been responsible for this. Experience has shown that financially and technically only large-sized rural units of local government can prove adequate to



support the burden of the modern local services such as education, health, communications, water-supply, etc. If we seek to reverse the hands of the clock in India, as has been attempted in some of the states, there must be special reasons and circumstances to justify it. If the functions of the local bodies are extended beyond the traditional limits as in the Janapada scheme, smaller areas might be, functionally and financially, feasible; but the question would still remain whether the transferred functions—collection of revenue, agriculture, co-operation, irrigation, developmental work etc. would be better looked after by the local authorities than by the regional or local agencies of the state government. So far there is little in our experience to show that they would. Collection of land revenue was entrusted to some of the village panchayats in Uttar Pradesh, but the experiment had to be abandoned as unsatisfactory and the state government had to revert to its own agency for the purpose.

All this is not saying that new experiments in our system of local self-government should not be made or that the system which has come down from the past is perfect, but the little experience that is available of the working of the experiments hitherto made certainly points to the need of a more cautious approach to the problem of local government reform. Any scheme of experiment or reform must be preceded by a thorough and objective investigation and discussion of the issues involved. The experience of other countries, and of the working of our own institutions hitherto, must be considered. The limitations of the human and financial resources available must be taken into account. Thus alone, workable plans of reform can be formulated.

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## RE-ORGANISING THE INDIAN INCOME-TAX DEPARTMENT (II)

*Indarjit Singh*

**I**N the previous article on the subject which appeared in this *Journal* for the quarter July-September 1955 (Vol. I, No. III), the objectives and proposed methods of investigation of the O & M enquiry into the Indian Income-tax Department were briefly described. The enquiry was completed in July 1956 and a comprehensive report was prepared. The report contains a number of recommendations relating to methods and procedures of work, fixation of time standards, the reorganisation of the primary work-units, and the development of suitable mechanism of control and supervision, training of staff and improvement of public relations. As the report is still under the consideration of the Government, it is not possible to give the details of the recommendations here. Attention may, however, be drawn to some of the salient features of the enquiry, which may be of general interest to all students of management studies.

In regard to both the field and methods of investigation, the enquiry covered a wide range. Almost all the important aspects of the work of the Indian Income-tax Department, such as registration records, arrears of income-tax demands, evasion of tax, forms, filing and recording system, statistics, staff training and public relations etc., were thoroughly examined in full detail. The method of investigation included seminars, case studies, methods and procedure analysis, work simplifications, timing of jobs, devising of control mechanism and improvement of structural arrangements.

### **Staff Participation**

Foremost among the objectives was to secure the participation of the staff actively in the work of reorganisation. Seminars were, therefore, established in each 'charge' of the Commissioner of Income-tax, covering all levels of gazetted and non-gazetted staff, to elicit their views on nearly twenty topical subjects bearing upon departmental working. The seminar method of consultation and discussion not only enabled experience within the Department to be pooled but also made the officers think of the problems facing them both in the matter of internal efficiency and public relations. The high level of reporting

by the seminars is an evidence of untapped sources of improvement that are available within the Department.

### **Case Studies**

Simultaneously, a large number of case studies were conducted by the reorganisation staff in order to locate the factors and conditions that called for improvement. As stated in the earlier article, the officer in charge of each unit under investigation was co-opted as a part of the reorganisation staff temporarily so that (a) there was a maximum of agreement on questions of fact, and (b) the material collected had firm relation to operational needs.

### **Analysis of Existing Procedures of Work**

In the meantime, the reorganisation staff charted out the existing procedures, analysed them and discussed them with the field staff in the light of opinions that were received from the seminars. After standardising the old procedures, having regard to the over-riding necessity of conforming to the law, a process of work simplification was carried out. The old procedures were subjected to all the necessary routine of work simplification, namely questioning the need of each of the steps taken to perform a procedure, the importance of the sequence of steps, and combination of steps or their elimination with a view to simplification. The process involved some basic re-thinking about the organisational structure of the Department, the methods of work followed at various levels, public relations, the mechanism of control and supervision and the utilisation of experienced staff in relation to the importance of work.

As a result of the above studies, it was found necessary to obtain further information before deciding upon the final form and manner of re-organisation. A proforma was accordingly specially designed to secure information in sufficiently analytical form to enable a clear picture of the existing pattern and quantum of work to be obtained. The existing statistical material also required further analysis. There was, for example, a considerable difference between the number of assessment forms (I.T. 30) issued and the number of assessments reported to have been completed by Income-tax Officers.

### **The Nature of Income-tax Work**

The reconciliation of two sets of figures supplied by Income-tax Officers to two different sources within the Department offered some

interesting results. For example, it enabled an appreciation of that work of the Department which did not lead to the fixation of liability and hence the collection of income-tax revenue. Such work was included under a blanket nomenclature known currently as 'N.A.' (Non-Assessable). It became clear from the very beginning that it formed a fair proportion of the total work in the Department. Some work of that nature is inevitable in the Income-tax Department since, owing to fluctuations in business conditions, the liability of assessees to income-tax varies from year to year; surveys conducted by the Department also give rise to some infructuous assessment work. Nevertheless, the sum-total of such work was of an order which required careful investigation for determining the manner and the extent to which Income-tax officials were being employed on this work.

It was further observed that the existing unit of work measurement, namely an "assessment", was by itself ineffective for a correct appreciation of the out-turn of work. It covered a range of work which extended from practically negligible effort to long drawn out proceedings in complicated assessments. "Assessments", irrespective of their nature, were, therefore, rejected from the outset, as a proper measure of work-load or out-turn. Another defect in the existing procedure was that the work-content was related to the amount of income actually assessed in that year. For example, if a loss was computed in assessment in one year, the effort spent on that case was regarded as negligible. On the other hand, if the same case resulted in an income of Rs. 25,000 or above in the next year, and even it did not involve much effort to compute that income, e.g. share of income received from a firm, the Income-tax Officer got credit for completing a complicated case. It was possible in the circumstances for the officers to exercise selectivity in such a way that maximum out-turn could be shown as having been achieved with varying amounts of effective disposal of work. This fact was freely admitted at the seminars which recommended that a more realistic approach should be made to the question of out-turn of an Income-tax Officer. It was further borne out by case studies and the overall statistical position.

The work of the Income-tax Department can thus be broadly classified into 'non-assessment' and 'assessment' work. The 'non-assessment' work is largely of a procedural character. As most of these procedural questions are rooted in the law itself, they have a certain importance in the Income-tax Department which does not normally attach to similar procedures in other departments. Notwithstanding this distinction, the routine character of the work makes it fairly easy to compute its content and to determine the standards of work that should be followed for its disposal.

The method adopted was simple. The constituent operations of a job were broken down into groups of tasks and sub-tasks to be done by various government employees and tabulated in the form of work distribution chart, a specimen of which appears at pages 118-119. The vertical columns of this chart showed the duties of each performer in respect of a specific job. The next step was to determine the number of times the operations were repeated and the time spent in performing each. The former information was available in most of the cases, but in some it had to be computed by sample case studies.

### **Assessment of Work-Contents**

“Timing” of the various tasks and operations, however, was not attempted in the orthodox sense. In the first place, there are essential difficulties in timing such operations when Income-tax offices are still housed in rented buildings where lay-out cannot be ordered according to the needs of the work but depends on the type and size of the accommodation available. Unless lay-out can be standardised, there is no point in ‘timing’ the various operations though they fully lend themselves to such scientific assessment. The normal method that was followed was what may conveniently be described as “time-synthesis.” It consisted of extensive staff consultations to determine the ‘timing’ that would be acceptable on the basis of the past experience within the Department. The reorganisation staff simultaneously conducted a large number of case studies to establish the validity of conclusions arrived at in these discussions. Sometimes the process was reversed, namely the case studies were conducted prior to discussions with the staff and the conclusions reached modified suitably. The number of officials consulted ran literally into hundreds, and one of the happy features was that there was hardly a case of disagreement in this matter.

The above method enabled man-hours of non-assessment work to be computed fairly accurately, as the ‘timings’ fixed took full account of various occupational factors which called for adjustments. One of the important results was that the time which an Income-tax Officer was obliged to spend in carrying out the routine of assessment was computed, thus enabling a clear appreciation of the time he could devote to the more important part of his duties, namely, assessment of income-tax.

It is obvious that the measurement of assessment work presents considerable difficulties. The circumstances of a taxable person are likely to vary every year involving differing work-loads in computing his income. No Income-tax Officer can be hamstrung to a

pre-determined period of time for completing his investigation if he finds that the circumstances demand it. The reactions of assesseees are also unpredictable where complications arise and they have enough statutory rights to delay proceedings. On the other hand, the Income-tax Officer himself, if he were so disposed, can lengthen proceedings by concentrating on inessentials of investigations or shorten them by ignoring essentials.

The regulation of assessment work of an Income-tax Officer in a proper manner is thus the crux of the administrative problems in the Income-tax Department. There are several aspects of this problem. The records of the Department should be so designed that there is an automatic classification of work according to a reasonable estimate of gradations of effort on the basis of past information. Adequate arrangements should also exist for collecting, collating, classifying and consolidating information for cross checking returns of income and for discovering assesseees that escape liability to income-tax altogether. The flow of work should be evenly regulated which is not the case at present. The Work Flow Chart appearing at pages 120-121 indicates at a glance the flow of work in the department and the factors which impede regular flow. The control by superior officers of the Department should cover all material particulars which are relevant to efficient work and good public relations. It should also be possible to reduce the predictable part of the assessment work—a good portion of it is predictable to a degree—to a system. Lastly, the structure of the Department should be adequate in form and design to sustain the above requisites of administration.

### **Registration and Records**

Most of the difficulties of the Department were traced ultimately to record-making and record-keeping. There was concentration on chronological recording of facts. This was, no doubt, necessary for tracing papers, but the facts as they arose were not classified in sufficient detail to present a complete picture of the pattern of work at any time. The consequence was that the Income-tax Officer had to wade through the entire record for any information that he had to obtain personally for planning his work or which the policy-makers had asked him to supply.

The system of recording was, therefore, completely overhauled and two basic forms were introduced. One was entitled "Planning & Progress Register" which classified information on assessments according to actions that were proposed to be taken under the law, and which in addition contained all such information that was of

## GENERAL INDEX CARD NO.

PENDING PROCEEDINGS BROUGHT FORWARD ON 1-4-1956

CIRCLE/WARD/DISTRICT.

NAME.

ADDRESS.

TRADE CLASSIFICATION.  
(Code No. only)

M.I.R. No.

STATUS.

ACCOUNTING PERIOD.

PARTNERS/MANAGING DIRECTORS  
(G.I.C. Nos. only if in same circle; name  
and address if in other circles)  
NAMES AND ADDRESSES OF  
MEMBERS OF H.U.F.

1.

2.

3.

4.

FIRMS/COMPANIES IN WHICH  
ASSEESSEE IS A PARTNER/  
MANAGING DIRECTOR  
(G.I.C. Nos. only if in same circle ; name  
and address if in other circles)

1.

2.

3.

4.

Assessments	Date of disposal D.C.R. No.	Application under section 27	Application under section 35	Assessments to be watched for action u/s 35	Penalty			Remand Report	Action u/s 23A
		Year/Date of disposal	Year/Date of disposal		28 (1) (a) and/or (b)	28 (1) (c)	18A (9)		
Normal				Year				Year/Date of disposal	Year/Date of disposal

## CURRENT PROCEEDINGS

ORIGINAL ASSESSMENT					MODIFICATIONS				
Year	Date of issue/Receipt of I.T. 11	Date of completion of assessment/Section under which made/ D.C.R. No.	Income/Loss Returned Assessed	Total tax demand/refund	Application u/s 27		Revision u/s 35		Date of disposal
					Date of receipt/Year	Date of disposal	Date of receipt/issue Year		
1956-57									
1957-58									
1958-59									
1959-60									

BY I. T. O.			MODIFICATIONS IN APPEAL/REVISION REFERENCE					
Year	Assessment to be watched for action u/s 35 year	Assessment to be watched for action u/s 23-A: Year/ Date of disposal	Remand Order		Date: Receipt of A.A.C.'s Order/Asst: Year/Effect given	Date: Receipt of Tribunal's Order/Asst: Year/Effect given	Date: on which Final liability determined/ Intimated	Final Income/Loss Tax/Refund
			Date of Receipt/Year/ Remanding authority	Date of disposal				
1956-57								
1957-58								
1958-59								
1959-60								

# PENALTY PROCEEDINGS

Year during which initiated	28 (1) (a) and/or (b)		28 (1) (c)		18 A (9)	
	Date of Issue/Year	Date of disposal	Date of issue/Year	Date of disposal	Date of issue/Year	Date of disposal
1956-57						
1957-58						
1958-59						
1959-60						

# CHECK SHEET

[illegible]



utility to the Income-tax Officer in making individual assessments. The other new record proposed for introduction was the General Index Card, a copy of which is reproduced opposite. It was to replace the existing Index Register. The important feature of this record was that it was practically a history sheet of the entire file for a period of four years and it enabled a quick appreciation to be made of the work-content of individual cases and of the types of problems that were likely to be faced in actual assessment. Both of them were designed to make the planning and programming of work effective and capable of being scrutinised and controlled at any time during the year. Over and above that, the two records also served as means of cross-checking the validity of information contained in them. They are more in the nature of self-balancing records as it was suggested that they should be compiled from two different sources by two different agencies within the office of the Income-tax Officer. A comparative study showed that no additional work was thrown on the staff because of the designing of new records. It was really a process of ordering into a balanced design the items of work which were already being done by the various members of the staff including the Income-tax Officer.

It may be safely concluded that generally difficulties in regulating and controlling work arise in organisations principally from an inadequate attention to analytical registration of work. If a rough work analysis precedes the record-making in the Department, there is scope for not only simplification of work but also for its control and evaluation.

### **Arrears of Work**

The next set of problems related to arrears of work in the Department. A large number of case studies were conducted to arrive at the common pattern of arrears with a view to further designing administrative arrangements for their early clearance. The proforma, to which a reference has been made already, disclosed that a fair proportion of assessee had over three assessments pending disposal in the Income-tax Department. A scheme was prepared, involving structural re-arrangements and new methods of work, to dispose of arrears within a stipulated short period of time.

Similarly, a scheme was prepared for the disposal of arrears of appeals also. A work-study disclosed that the proportion of simple appeals to complicated appeals was very large and that, given certain changes in methods of work, the rate of disposal could be accelerated without affecting the rights of assessee. The method

## WORK

Activity.	Income Tax Officer	Inspector.	Supervisory duties.
			Supervisor Head Clerk
Issue of intimation slips.	1. Directs issue of slips about specific items.	1. Signs entry in Order Sheet regarding receipt of foot note after compliance.	1. Receives foot note and passes it on to the U. D. C.
	2. Signs the foot notes on both the copies.		2. Sample checks, compliance of foot notes with intimation slips prepared.
	3. Examines the Steno's Despatch Register every Saturday.		3. Submits weekly progress report regarding issue of Intimation Slips to I. T. O.
	4. Conducts surprise inspection of Supervisor's Intimation Slip Issue Register.		
	5. Examines the weekly progress report of Supervisor.		

# DISTRIBUTION CHART

Upper Division Clerk	Steno-typist	Typist	Receipt Clerk.	Despatcher	Process Server
<ol style="list-style-type: none"> <li>1. Receives copy of foot-note from the Supervisor and enters it in his Register.</li> <li>2. Prepares Intimation Slips.</li> <li>3. Notes Intimation Slip number against each item with dated initials and submits the note/lists to the Supervisor.</li> <li>4. Sorts and arranges the Intimation Slips according to Commissioner's Charges and enters them in the Slips Issue Register.</li> <li>5. Prepares memo (Standard Form) having perforated acknowledgment slip.</li> <li>6. Despatch of above.</li> <li>7. Receives acknowledgement slips from Receipt Clerk through Supervisor and enters the date of receipt in the Intimation Slip Issue Register.</li> <li>8. Places acknowledgement slips in a separate file kept by the Supervisor.</li> <li>9. Returns foot note to I. T. O. after entry in Receipt/ Despatch Register.</li> </ol>	<ol style="list-style-type: none"> <li>1. Types directions regarding issue of Intimation Slips as foot note in the assessment order.</li> <li>2. Enters it in his Despatch Register and passes on the copy to the Supervisor. In case the notes pertain to several persons shown in a separate list, types the name and attaches it with the notes.</li> <li>3. Passes the foot note on to U.D.C. after entry in his Register.</li> <li>4. Submits his Despatch Register every Saturday to I. T. O.</li> </ol>		<ol style="list-style-type: none"> <li>1. Receives acknowledgment slip from S. I. B. and enters in Receipt Register.</li> </ol>		

## FLOW CHART

ASSESSMENT WORK IN INCOME TAX OFFICE

PREASSESSMENT STAGES      ASSESSMENT STAGES      POST ASSESSMENT STAGES

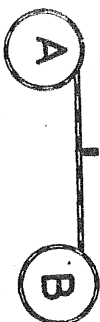
MUST BE OVER  
by 15<sup>th</sup> May

MUST BE OVER  
by 30<sup>th</sup> Sep.

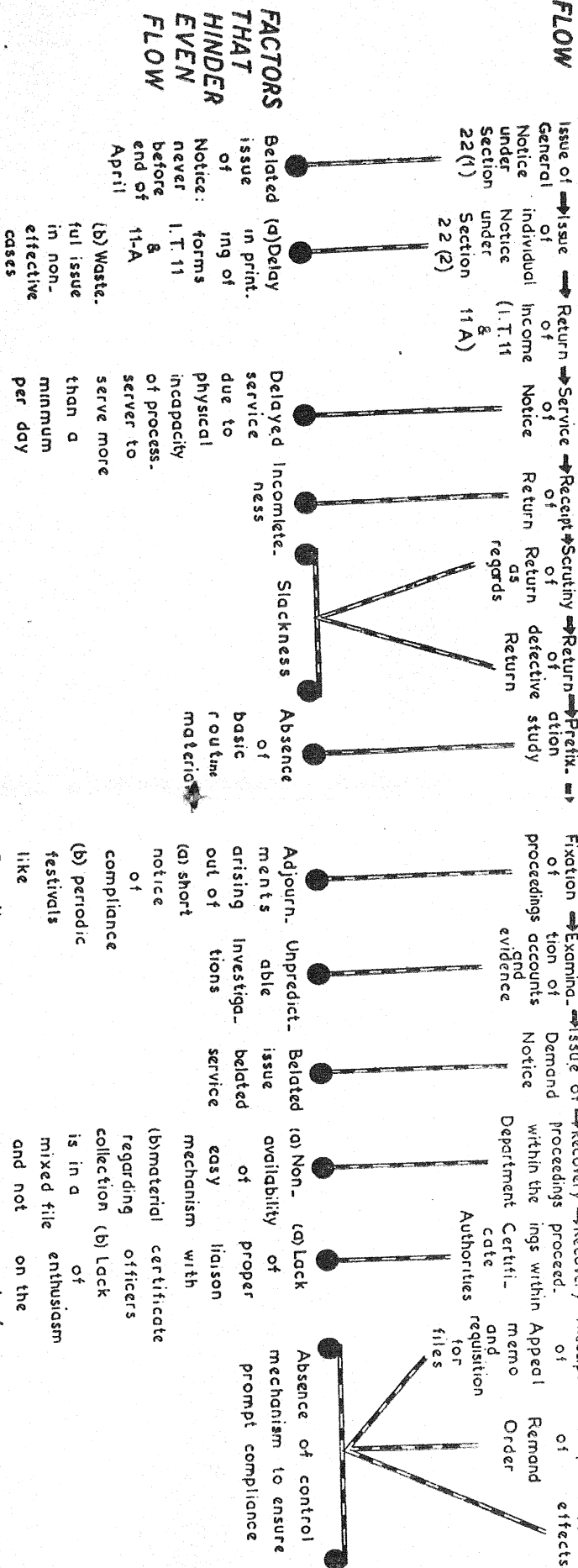
SHOULD BE  
FEATURED

COMPLETED BY 28<sup>th</sup> Feb.  
CASES BY 31<sup>st</sup> Dec.  
OTHERS BY 28<sup>th</sup> Feb.

SHOULD BE PURSUED FROM OCT. TO  
JAN. WITH OTHER WORK AND  
EXCLUSIVELY IN FEB. & MAR.



## FLOW





employed was what may be called the study of "Delay Factors", i.e. an analysis of causes which, if rectified, would lead to larger out-turn than achieved at present. In itself the appellate procedure in the Department is a simple affair; but since it is the first opportunity for the Department to review its work, it has considerable public relations aspect and an accumulation of work at this stage should ordinarily be avoided.

### Structure of the Primary Work Unit

The various 'work studies' made and the requirement of streamlining of a methods and procedures of work, in turn, underlined the importance of a complete reappraisal of the structure of the Department. The primary unit of work in the Income-tax Department is obviously the one in which assessment is finalised in accordance with the provisions of the law. Assessment involves both an investigation into the facts and application of the law. The size of the primary unit thus depends upon its physical capacity to undertake investigations and to make final computation of income-tax. This, in turn, depends on the nature of work to be dealt with. Another factor that fundamentally affects the formation of such primary units is the manner in which the statute defines the jurisdictions of Income-tax Officers. The third important consideration is the convenience of administration and the convenience of the tax-payer. Every effort should be made to reduce the cost of compliance by tax payers. Thus, various factors had to be considered carefully in the light of a large number of legal decisions some of which were of topical interest during the time the enquiry was being conducted. As a result of this analysis, a number of suggestions were made for reorganising the primary units and for linking them up together for purposes of control and supervision. It is inevitable in a statute such as that governing Income-tax that some of the suggestions would involve an amendment of the law, while others could be carried out within its existing framework.

One of the basic considerations which was constantly kept in view was how best to match the available experienced man-power to the complexities of work in the Department. This had been attempted before only in a sporadic manner and not in pursuance of a definite design. It was found that the pattern of work was such that there were possibilities of utilising the existing experienced man-power to better effect, provided the structural arrangements and methods of work could be re-designed as suggested. Attention was also devoted to the formulation of an elaborate scheme of in-service

training, the desirability of organising refresher courses and the establishment of a residential school for institutionalising the training.

### **Control and Supervision**

The designing of effective mechanism of control and supervision was one of the main objectives of the enquiry. Here, in the first instance, it was suggested that certain definite and basic duties should be devolved upon the first line of supervision, namely the Head Clerk and the Supervisor. The Income-tax Officer's time for assessment work was calculated after computing his duties in relation to what may broadly be called supervisory work. Suggestions were also made for a revision of the duties of Commissioners of Income-tax and Assistant Commissioners of Income-tax, having regard to the fact that they should exercise control on strategic points of procedure in order that their compliance be effective. The procedures for the maintenance of the two basic control records described earlier, namely the Planning and Progress Register and the General Index Card, incorporate this system of control. The records themselves display the frequency with which such controls are exercised and the results thereof.

Certain suggestions have also been made for future assessment of the work-load so that the Department is not, at any future time, taken unawares in making its administrative arrangements to cope with additional work-load, as it happened during the last War.

### **Public Relations**

It was found that most of the public complaints were due to ineffective procedures. The streamlining of procedures, which constituted an important part of the enquiry, would obviously go a long way to eliminate causes of public grievances and dissatisfaction. The possibilities of installing enquiry counters for attending to public complaints were also examined and a special proforma drawn for enabling the 'clients' of the departments to obtain a reply to their complaints and queries within a reasonable time.

### **Conclusion**

Apart from the benefits which are likely to accrue in the form of clearance of arrears of tax collection, increase in efficiency, saving in cost and improvement in public relations when the recommendations made are implemented by the Government, the O & M enquiry into

the Income-tax Department has a special significance. It is the first enquiry of its kind which has been conducted in India at the level of a Department. For the first time, detailed procedural analysis and 'timing' of jobs has been attempted to determine work-loads of certain types of office work. This, and the proposal that the top administration should have at its disposal adequate mechanism for exercising control over strategic points, are two of the important contributions made by the enquiry to the development of the O & M techniques in the field of public administration in India. It is to be hoped that the methods of investigation, evolved during the enquiry, would prove valuable in similar enquiries which may be carried out in other departments, thus giving rise in due course to a country-wide movement for overhauling the structure of government machinery and methods of work on a scientific basis.

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"It is much wiser to build the structure round the men and the work than to push the men into the cells of a prefabricated honey-comb. Consequently the structure should be flexible. Consequently too, reports of external 'organisation and methods experts', who are ill placed to appraise correctly the human factor...are liable to be mis-leading."

—A. LOVEDAY  
(in "*Reflections on International  
Administration*")



## SELECTION OF OFFICERS FOR THE ARMED FORCES

*Sohan Lall*

**B**EFORE the second world war, selection of officers for the Armed Forces in India was made by the traditional method of a written examination in school subjects followed by an interview. The war brought on a sudden and considerable expansion of the forces and officers were needed and had to be recruited in very much large numbers. Candidates offering themselves for recruitment to the commissioned rank were so numerous that the traditional methods proved inadequate to cope with the problem. The written examination taken by a large number of candidates is necessarily a long drawn-out process while the urgency of the situation demanded a very quick verdict on the candidates' suitability. The written examination was, therefore, dropped and selections made purely on the basis of interviews. The first interview was by a Provincial Selection Board, and those who succeeded went before a Central Interview Board, which made the final selection.

Though this system shortened the time consumed in the process of selection, it brought into prominence a new problem. Cadets selected by interview alone showed a wastage of nearly 40 per cent at the Officers' Training School. So large a wastage dislocated the plans for the expansion of the forces and some way of reducing the wastage without unduly prolonging the process of selection had to be found.

Meanwhile, a method of selecting officers for the Armed Forces, based on the use of techniques of applied psychology, had been evolved in the United Kingdom. This method, with suitable adaptations to suit local conditions, was introduced as an experimental measure in India early in 1943. An experimental "Officers' Selection Board" was set up at Dehradun and the new techniques employed by it were studied at first-hand by senior officers of the Armed Forces and by members of the Defence Consultative Committee. By July 1943, a number of Officers' Selection Boards were set up in India and the rest of the recruitment during the war was made through these Boards which were later re-designated as "Services Selection Boards" (S.S.Bs.).

Until 1948, the methods used by the Selection Boards were more or less the same as those used by similar Boards in U.K. Towards the

end of that year, the Government of India appointed a Committee to study the working of Selection Boards and to suggest ways and means for improving their efficiency. The methods now employed for the selection of officers for the Armed Forces in India are largely based on the recommendations made by this Committee.

## II

There are broadly four main methods for selecting people for particular jobs. First, there is the system of examination of candidates in school subjects. This tests their academic knowledge and attainments and also helps to some extent in the assessment of intelligence and clarity of thought and expression. However, it tells nothing about whether the candidate has the requisite temperamental and other personality qualities which may be very important in the context of the particular job to be done. Secondly, there is the method of the "formal interview" where a candidate is questioned by a few selectors for a period of 15 minutes to half an hour. This can give only a superficial indication of academic knowledge and learning; and though it does help to give glimpses of personality traits, they are only 'indications' and may not fully reveal the real personality. A third method is that of 'situational tests'. In this technique the candidate is asked to do an elementary job similar in nature to the one he would be called upon to do if recruited. During the test he will be under observation by selectors who can see how he approaches the job, how he handles himself, his tools and other aids and come to an assessment of how successful he is likely to prove after recruitment. The fourth method is that of 'Projective Technique'. This is based on the principle that no man can avoid projecting his true personality in his responses to questions and tests and situations provided the latter are properly designed and presented. A trained psychologist can always prepare, from the candidate's responses, a pen-picture of the various aspects of his personality.

Each of the above methods has its strong and weak points. Mankind has not been able to evolve so far any *single* method of selection which could be regarded as perfect. The present method of selection used by the Armed Forces in India is a combination of all the four mentioned above. It is hoped that by utilising all the four different techniques and pooling the results the error in assessment of a young man's suitability for recruitment to the commissioned rank would be minimised.

Young men offering themselves for recruitment as officers in the Armed Forces have first to take a written examination in English,

Mathematics and General Knowledge. Each subject carries 300 marks—a total of 900 for the whole written examination. Candidates who pass the hurdle by securing a prescribed minimum of marks in the examination are sent to the Services Selection Board for assessment of personality traits.

The S.S.B. in assessing the personality of the candidates uses the methods of the Formal Interview, the Situational Tests and the Projective Technique. The Interview is conducted by the President of the Board sitting alone. He is a senior officer with the rank of a full Colonel.

The Situational Tests are conducted by a Group Testing Officer (G.T.O.). The candidates have to participate in these for a couple of days. They begin with a Group Discussion, followed by a Planning Exercise in which a problem is presented to them and they have to work as a group to evolve a solution. Next they go on to the Progressive Group Task (P.G.T.). Here, a group of candidates is generally required to carry a heavy or big object over a number of obstacles. They are given some material to help them in getting across. The group has to think and work as a whole. It is followed by a Group Obstacles Race (G.O.R.) wherein two groups, carrying a heavy object, race over several obstacles. Then comes Half Group Task in which only half the group works. The test is of the same nature as the P.G.T. The candidates have also to do a Command Task in which they are put in command of a group and have to get the assigned work done. They also go over Individual Obstacles and deliver a Lecturette. Finally, there is the Final Group Task which is very similar in nature to the Progressive Group Task. These tests are designed to reveal the extent to which the individual candidates possess qualities of initiative, resourcefulness, decisiveness, co-operation and leadership—qualities which are essential for manning the officers' cadre in the Armed Forces. While the candidates are participating in the Situational tests, the G.T.O. observes each individual closely. Each group which he watches generally consists of 8 to 10 candidates.

In the Projective Technique which is administered by the Technical Officer of the S.S.B., a candidate begins by answering two questionnaires in which he gives detailed information about his family background and school life. He also indicates his interests, his hobbies, the reading that he does apart from his text books, the games he plays, etc. Thereafter he takes two tests of Intelligence—one Verbal and the other Non-Verbal, followed by another confirmatory test in cases where a discrepancy is observable in the first two tests. Next the candidate is put through the Word Association Test, the

Thematic Apperception Test and the Verbal Situation Test. This process takes one full day.

After the testing has been completed, each testing officer (the Interviewer, the G.T.O., and the Technical Officer) writes a full report on every individual candidate. The Board then meets in a conference and after discussion allots marks to the candidates. The total number of marks with the Services Selection Board is 900.

Candidates who obtain the necessary qualifying marks at Services Selection Board are sent for medical examination. Candidates found medically fit are further given Physical Efficiency Tests and are awarded marks for their physical potential out of a maximum of 200.

In effect, the candidate is really trying to score marks out of a maximum of 2,000, the break-up being as follows :—

Marks by U.P.S.C.	900
„ „ Services Selection Board	900
„ „ Medical Board	200
Total	<u>2,000</u>

The marks obtained by the candidates at the U.P.S.C., S.S.B. and the Medical Board are added together and a final merit list is prepared on the basis of the aggregate scored by each candidate. Selection is then made from the top of this list according to the number of vacancies available.

### III

It is natural to ask "What would happen if the same candidate went before different Boards ? Will there be any consistency in the verdict of the different Boards so far as that particular candidate is concerned ?" To answer this question, an experiment was conducted. All the four Boards of the Armed Forces were moved to one station. A batch of 150 young men were put through each Board separately. The marks awarded by each Board to these 150 candidates were then correlated. The coefficient of correlation between Boards worked out to .73—an encouraging figure.

In this experiment an attempt was also made to compare the marking standard of the different Boards. For this purpose, the mean

mark for each Board was worked out. The figures obtained are given below :—

<i>Board</i>	<i>Mean Mark</i>
I	371.4
II	372.1
III	365.1
IV	335.8

It will be noticed that the Boards I, II and III have mean marks which are very close to each other. Board IV shows a variation. This is understandable as this Board was selecting candidates for the Indian Air Force and was thus applying a slightly different procedure. Candidates for the Indian Air Force are also put through Pilot Aptitude Tests which are not given by Boards I, II and III.

As regards the validity of the present method of selection of the army officers, the three main questions which arise are :

- (1) How has the present method of selection affected the wastage at the training institutions ?
- (2) How does the assessment of the Selection Board compare with the performance of the candidates at the training institutions ?
- (3) How does the assessment at the time of selection compare with the performance of the officers when posted to army units ?

The answer to the first question is conclusive. Follow-up studies have revealed that the wastage at the training institutions has dropped from 40% to about 3 or 4%.

Studies have also been conducted in regard to the second issue. The marks obtained by the candidates at the time of selection were correlated with the marks obtained by them at the time of passing out from the training institutions. The coefficient of correlation comes to .54. This is a satisfactory figure, considering that coefficients of correlation in such studies rarely go above .2 or .3.

The third issue—post-recruitment performance—is still under investigation. A five-year follow-up study has been launched in which the performance of the officers during the first five years of their service will be studied. Five years have not yet been completed since this project was started. Data is still pouring in.

## IV

For ensuring correct and efficient use of psychological techniques employed by the Services Selection Boards, it is obviously necessary to have a high-power research organisation to help them. Such an organisation exists in the Ministry of Defence and is known as the "Psychological Research Wing" of Defence Science Organisation. The main functions of the research organisation are :—

- (1) Constructing and standardising of new tests which are used by the Services Selection Boards;
- (2) Training of Officers, selected for posting to the Services Selection Boards, in the methods of interview, test administration and interpretation of results;
- (3) Conducting follow-up studies; and
- (4) Conducting research to answer technical problems.

Among other things, research was needed to overcome the basic question : "What should the Services Selection Board look for in a candidate ?" This is how it was done : All officers of the Indian Army with the rank of full Colonel and above were requested to give their opinion about the qualities of personality which an officer of the Armed Forces should possess. A large number of replies were received. These answers were studied and a list of qualities was evolved. The qualities decided upon were, to give a few examples, 'initiative', 'organising ability', 'resourcefulness', 'courage', 'ability to exert influence on a group', etc. A Rating Scale was prepared which was used by each member of the Selection Board while assessing candidates.

It was noticed, however, that quite a number of qualities in the Rating Scale overlapped. Research was conducted further to study this aspect. Two studies of Factorial Analysis were carried out on two age groups. Coefficients of correlation were worked out between the different qualities and common factors extracted by the Centroid Method. Factor Loadings for each quality were calculated. Qualities showing low Factor Loadings were considered for rejection. Nonetheless it was considered desirable to get more evidence before the revised list was finalised. The experiment conducted for assessing the reliability of the S.S.Bs produced data to show which qualities were being more reliably assessed than the others. The assessment regarding a few of the qualities varied considerably from Board to Board while the assessment of other qualities showed a high degree of consistency. To supplement this data, the members of the Selection Boards were further asked to report on : (1) The qualities which

they could assess directly and confidently from the tests used. (2) The qualities which were not directly observable from the test responses, but were being *inferred* from other qualities. For example, if a candidate showed co-operativeness it could be inferred that he had team spirit too. (3) Qualities which could not be assessed with the tests available.

On the basis of the evidence thus derived from different sources, the list of qualities of personality required in a candidate was revised. The revised list is in use now.

Another important and essential work of the research organisation lies in the field of construction of tests. Although a number of tests are available in the foreign countries, they cannot always be safely used in this country. The cultural differences between foreign countries and our own are likely to vitiate the test results. An example may be given to illustrate the point : A western psychologist designing the test to ascertain the degree of mother-attachment of a young lad might introduce, in the Thematic Apperception Test, a picture showing a young man kissing good-bye to his mother at the railway station. The responses of a western or northern American candidate, who is asked to give his reactions to such a picture, would always reveal to the trained psychologist the extent to which abnormal or unresolved mother-attachment plays a part in his total personality. Such a picture could obviously not be used in India for the same purpose. The sight of a young man kissing his mother in public would evoke in Indian youth feelings and emotions quite different from those which a western psychologist would expect to find a western youth. To suit the Indian conditions more reliable data might be obtained from a picture showing a young man saying good-bye to his mother by folding his hands and doing a '*Namaskar*', or better still by touching her feet. Furthermore, the value and validity of even the best and most reliable tests tends to be vitiated by continuous use and publicity. New tests have, therefore, to be constructed and validated from time to time.

Test construction is a lengthy process involving a lot of experimentation. There are various types of tests, each with its own technique of construction. Tests are constructed and tried out on a population of the type on which they are subsequently meant to be used. They need a considerable amount of readjustment and comparison with existing tests before they can be finalised for selection. Normally, it takes nearly two years to produce a fairly suitable test.

The above are examples of the type of research that is needed. Problems of this nature are constantly arising and require answers

after scientific investigation. The research organisation has to tackle these and give the answers to the Boards. Experience has shown that unless the Selection Boards are backed by such an institution, they find it difficult to maintain their efficiency.

## V

It has been stated earlier that each candidate is assessed by three assessors who use three different techniques, namely, the Formal Interview, the Situational Tests and the Projective Technique. How their assessments are correlated may be explained here. A Rating Scale giving the list of qualities required to be assessed is in possession of each assessor. The assessor puts a tick at the appropriate point on the scale. The Rating Scale is full of adjectives which are liable to be interpreted by different people in different ways. To make a uniform assessment possible, each one of these adjectives has been defined and a 'Glossary' given to each assessor. For example "resourcefulness" has been defined as "the capacity to improvise a solution when in a tight corner." The word 'improvise' implies that the resources are not enough and the candidate has to show his resourcefulness by finding a solution with what is available.

The different tests used by different assessors are regarded by them as one whole. They do not take the evidence from any one particular test as conclusive. In the whole battery of tests which are available in the Situational Test Technique and Projective Technique, there is one test which gives a good deal of information about different qualities. The information from the other tests is used to confirm or reject the hypothesis which is formed as a result of the candidate's reaction to the main test.

In the Situational Tests, the main test is the Progressive Group Task. The Group Testing Officer may find that a candidate does not show enough courage. The test provides for risky situations to be courted in order to obtain a solution. The G.T.O. may notice that a particular candidate is avoiding them and expecting other members of the group to bear the first risk. At this stage this is only a hypothesis. The G.T.O. therefore carefully observes the candidate's behaviour in other similar tests, for example, the Half Group Task and the Final Group Task, to see if his initial hypothesis is confirmed or not. The other two tests, therefore, become confirmatory tests.

In the Projective Technique, the main test which throws out possible hypotheses to the Technical Officers is the Thematic Apperception Test. If from the responses of this test, the Technical Officer



has evidence that the candidate is rather retiring by nature, he wants to confirm it by the other data available with him. He would look to the responses of the Word Association Test. If he finds that here too the candidate shows his retiring nature, he looks back to his family history in the responses to the Questionnaire. He may notice from there that the candidate is perhaps the only child in a family and forced to find his amusement in solitary rather than group activities. Further, the Questionnaire Responses may reveal that the candidate does not play team games but is fond of Patience or Ludo and that his only recreation is Reading. All this evidence from various sources goes to confirm his initial hypothesis that the candidate is probably a retiring type and does not like mixing in society very much.

The above examples show how the tests used by each assessor are taken as a whole. Individual tests mean nothing. It is the entire battery of tests which gives valid results.

The three techniques used—The Interview, Situational and Projective Tests—have equal weightage. It may be re-emphasized here that it is not any particular test but the whole technique which is considered for weightage.

## VI

To conclude, the method used by the Armed Forces in India, for selecting their officers, is broadly speaking the usual traditional method, namely, a written examination followed by an interview. The only difference is that the interview is made more systematic, comprehensive and thorough, and therefore more accurate. The word interview here is used in a broad sense including the Formal Interview, the Situational Tests and the Projective Technique. The Formal Interview consisting of asking questions across a table is supported, in this method, by other psychological techniques.

The method is slowly becoming known to other 'employers' besides the Armed Forces. The Psychological Research Wing has from time to time received an increasing number of queries from Government departments, business firms and educational institutions, asking for information and help for the possible introduction of the method in other fields.

If the method is to be applied to any other type of selection, suitable tests will have to be devised for the particular end in view. It would be necessary first to carry out job analyses and other connected research to decide what qualities are to be looked for in the candidate.

Tests designed to bring out these qualities would then have to be constructed and validated. A sufficient staff of trained testing officers would also have to be put to the job.

The present writer feels that the Situational and Projective techniques employed for the selection of Army Officers can be usefully extended to the selection of the civilian personnel for most of the executive and administrative jobs. Opinions may differ about the extent to which human personality is susceptible to detailed psychological analysis and how far human performance is predictable on the basis of such an analysis. But, by and large, for all purposes of success on the job—whether in civil services or the armed forces—the modern psychological tests can go a long way to assist in the selection of right type of persons.

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## MANAGEMENT STUDIES AND TRAINING

*L. S. Chandrakant*

**O**N the initiative of the All-India Council for Technical Education and with the support of the Central Government, a programme of Management studies is being developed in certain selected educational centres, and an Administrative Staff College is in the course of establishment in Hyderabad in association with industry and commerce. A National Management Organisation has recently been formed, and regional management bodies have started functioning in over ten centres with the active participation of a large number of individuals and firms. These represent the first positive and conscious steps taken towards the development of Management studies in the country. The keen interest evinced by industry and commerce and the general public in the above schemes shows that Scientific Management, which has been largely responsible for the great advances, made in America and parts of Western Europe, has at last reached the Indian sub-continent.

### **Regional Centres For Management Education**

The wide diversity of business activity and the vastness of the country have made it necessary to organise the programme of Management studies on a regional basis, in seven different centres. The Indian Institute of Technology in Kharagpur, and the All India Institute of Social Welfare and Business Management in Calcutta, cater to the needs of the Eastern Region; and the Victoria Jubilee Technical Institute in Bombay and Department of Business Administration, Bombay University, to the needs of the Western Region. The Indian Institute of Science, Bangalore and Department of Business Management, Madras University look after the Southern Region; and the Delhi School of Economics, the Northern Region. In close co-operation with industrial and commercial organisations and the Institute of Social Welfare and Business Management, the Delhi School of Economics, and the Business Management Departments of Madras and Bombay Universities. Industrial Administration and Industrial Engineering are the main concern of the Indian Institute of Technology, Kharagpur, the Indian Institute of Science, Bangalore, and the Victoria Jubilee Technical Institute, Bombay, which are essentially technological in character.

## Training for Management—A Process

Although there is no single universally accepted definition of Management, there is general agreement that it is concerned with the directing and co-ordinating of the activities of groups of people. The American Society of Mechanical Engineers has defined it as “the art and science of organising and directing human effort applied to control the forces and utilise the materials of nature for the benefit of man”; and Ordway Tead in ‘The Art of Administration’ refers to Management as “the comprehensive effort to direct, guide and integrate associated human strivings which are focussed towards some specific ends or aims”. Henry Fayol gave a more matter-of-fact definition—“to manage is to forecast and plan, to organise, to command, to co-ordinate and control”. To ‘foresee and provide’ means examining the future and drawing up the plan of action. To ‘organise’ means building up the dual structure, material and human, of the enterprise. To ‘command’ means maintaining the designed activity among the personnel. To ‘co-ordinate’ means binding together, unifying and harmonising all activity and effort. To ‘control’ means seeing that everything occurs in conformity with established rules and expressed command. It is thus apparent that management is essentially concerned with people on the one hand, and with the accomplishment of certain tasks or group of tasks on the other. In fact, it means getting people to employ their various skills to the best advantage in applying certain procedures and methods for the attainment of some set physical ends.

Here then, are the essential functions of management; a static function embodying procedures and methods, comprising planning and control; and a dynamic function involving human contacts, that is co-ordination and motivation. Ability in management involves practical knowledge of, and a facility in, applying the sciences and the arts on which these rest. Other specialised knowledge and skills are undoubtedly necessary to a manager, their nature and extent depending upon the position held by the individual manager; but they constitute merely the background against which he is carrying out the task of management.

Training for management is therefore a *process*, in which the ability to analyse, explain and control the complexities of a mechanism is developed through the interplay of different disciplines and new knowledge and skills.

## The American Experiment

How the process of training for management has been facilitated varies from country to country. However, as the nation with the most spectacular record of technological progress during the last four decades and where Scientific Management originated and has been practised successfully, the U.S. experiment is of great interest to the whole world. In the Colgate University, a practical approach in Business Administration is provided by assigning each student a commercial, industrial or business operation. The day is spent in various jobs, studying at first hand the problems of management and labour, of production and distribution, and late in the afternoon there is a group meeting in a seminar to exchange experience and discuss problems. After a full term, there is a return to the College for further academic works. In the Bernard M. Branch School of New York's City College, which is a pioneer in the field of Business and Public Administration, specialised instruction takes up only part of the curriculum. A certain amount of education of arts, humanities, social sciences and natural sciences is included in the programme in order to ensure that the graduate is *educated* as well as *trained* in the human and social factors involved in the management of a purposeful and economically successful enterprise.

Harvard University, a great leader in the movement for education in business administration has, perhaps, done the best work, but so in different ways have Illinois and Cornell Schools. Harvard, with some other universities has done first class work in the analysis of what a worker expects of a job and how the firms have failed to give it to him. The problem is not purely economic, nor psychological or sociological. It is one of real business administration requiring a knowledge of business and economic principles, policy and practice as well as humanistic discipline. It is in a fuller understanding of this problem which Taylor called a 'mental revolution', that the success of American enterprises lies; and no small part of this success is due to the fact that American business, big and small, and trade unions are employing graduates of business administration in their central research organisations. These results could not have been accomplished by any group from any arts college, by any group of physical scientists or by any one skilled only in 'commerce'.

In all the 300 and odd institutions in the United States a drift strongly away from 'commerce' to business administration characterises the training programme. The increasing size of business units in both production and distribution, the application of statistical

controls to production processes, wider use of research of many varieties, the changing size and character of union organisations, the explicit acceptance of community responsibility by businessmen, the recognition of the importance of the specifically human element as distinct from the purely monetary, have all combined to make training for management purposeful. The curriculum consisting of 40% business subjects, 40% traditional, liberal and cultural subjects, and 20% economics is designed to produce a man not only with a practical outlook but with an education as well.

### **Board of Management Studies**

The present scheme of Management studies as also of the Administrative Staff College in India is based on the recommendation of the All-India Council for Technical Education which, as far back as 1948-49, considered the matter in great detail. The Council set up an Expert Committee consisting of its different Boards of Technical Studies, representatives of industry and commerce, departments of Central Government and educational experts to examine the question of training in Industrial Administration and Business Management, and to suggest a national plan for development of facilities in these fields which might be readily initiated. The Committee was of the view that, the subject of Management studies having become in recent times vast and diversified, with each field tending to become more and more specialised, the usefulness of the courses of training will largely depend upon the extent to which industrial and commercial organisations in the country will benefit in the matter of training of their managerial personnel. The selection of the courses, therefore, would have to be made on the basis of the existing pattern and structure of industry and commerce in the country, the nature and scope of employment of managerial personnel, the peculiar problems of the organisations and other related factors. The state of educational development in the country and the resources available for organising Management courses, the Committee considered, would also have to be taken into consideration while choosing the courses and determining the scope of training. For the purpose of organisation, development and co-ordination of Management studies at a national level, the Committee recommended the establishment of a Board of Management Studies under the aegis of the All-India Council for Technical Education. A Board of Management Studies fully representative of all concerned interests, *viz.* commerce and industry, government departments, educational institutions and management experts, has now been set up. It advises the All-India Council and the Government on all aspects of Management studies.

## Part-Time Studies

If Scientific Management is accepted as a long-term objective, the country has gradually to proceed towards its realization according to its own genius, resources and requirements. Both in the matter of application of the philosophy of management to the industrial and commercial activity in the country, and of training of the managerial personnel, it will not serve to follow blindly other countries where the philosophy of management originated and has been practised successfully for a long time. Nor will it serve any useful purpose to produce in India a replica of the Harvard School or the Massachusetts Institute of Technology or Cornell or any other famous Institution. We should gradually imbibe the philosophy of scientific management and adapt it to our own peculiar socio-economic conditions, history and tradition. A change in the existing order of things is certainly necessary. But the change should not be just for its own sake. It should be for bringing into being something better and more useful. While the rich experience of the United States and other advanced countries will certainly be useful, adaptation rather than adoption of the principles and techniques in vogue abroad should be the prime consideration.

The Board of Management Studies has, throughout its deliberations, kept the above considerations foremost in view. The Board has proposed that, so far as Management Studies are concerned, three distinct types of courses, *viz.* Business Management, Industrial Administration and Industrial Engineering should be provided. The type of persons who should be admitted to the courses and the centres where the courses might be developed were also carefully determined. The courses in Industrial Engineering and Industrial Administration are essentially meant for persons with appropriate technological background and industrial experience; the course in Business Management for persons with a commerce or economics background and business experience. The choice of the institutions for organising the courses further reflects the efforts made to adapt scientific management to the existing conditions of the country. The Industrial Administration and Industrial Engineering courses, because of the particular fields of management which they will emphasise in relation to industrial activity, are being organised in the institutions which are essentially technological in character. The Business Management course has been organised in institutions which have established a reputation for the study of economics and social sciences.

The courses will be mostly offered at this stage on part-time basis. This decision is based on the consideration that the immediate

need is to train persons who are already in employment, and such persons can take full advantage of the courses only on a part-time basis. There is also considerable difficulty in recruiting well-qualified experts to staff the institutions for a full-time course. On the other hand, for a part-time course, it should generally be possible—and experience has shown that it is so—to obtain the services of experts in industrial and commercial organisations. The participation of such experts in the courses will have the additional advantage of the courses not tending to become too academic in character, and unrelated to real situations.

### **Administrative Staff College**

The Administrative Staff College which is in the course of establishment in Hyderabad will offer a three-month course in the principles and techniques of organisation, administration and leadership in civil life. It will also provide opportunities to young administrators from all walks of national life to meet and exchange ideas to their mutual advantage. Such an association will be valuable not only for the “cross-fertilisation” of ideas and techniques among them, but also as a means of promoting better understanding among those in charge of administration in different spheres of national activity. The Staff College will be a national institution, fully independent and without any affiliations while receiving the support of the public and the Government alike.

As industrial and commercial enterprises as well as the activities of the Government become increasingly widespread and complex, the administrators in charge are required to show a capacity “to hold in mind a total and perhaps distant situation, to plan ahead imaginatively and firmly and yet with the necessary margins, to assemble in the right relation and at the right time diverse material and human resources, to take consistent decisions on points of detail and, in turn, to see that their junior executives in their several spheres know how to do the same.” In short, every large enterprise calls for the constructive skill and leadership, policy making and planning which are not simply gifts of nature. Training is necessary.

The constant changes in the spheres of business and Government also demand a closer appreciation of the outlook and problems of both private enterprise and the public services on the part of the persons who are in charge of them. In the interests of the country’s development, their relations and mutual understanding need to be improved. Opportunities should be provided for the two main categories of administrators—the officers of the private and the public



services—to meet and understand the difficult situations in which they are placed, and the different responsibilities which they carry so that each may acquire, so far as may be, the characteristic virtues of the other and shed his own characteristic defects. These are at present laboriously and inadequately acquired by individuals by a process of trial and error. The training at the Administrative Staff College would lay emphasis upon bringing the work of a team to good effect, and upon the basic fact that those who are called upon to do this will be drawn from different backgrounds of activity and experience. The task is to make a co-ordinated group out of individual specialists. It is one that grows more difficult with each further step in technological development. What the Administrative Staff College hopes to do is to bring together young administrators from all walks of national life at an age when their views are formed but not fixed, to provide for the exchange of their ideas to mutual advantage and to promote better understanding between them. It must, however, be emphasised that the College has no concern with preparatory training. Its constituency is among men and women already experts but needing the opportunity to reflect, to compare notes and to equip themselves more fully for their services.

### **National Organisation for Management**

The chief contribution of a national management body is its continuing influence in raising the standards of management throughout the country and maintaining these at a high level. The country has committed itself to raising the standard of living of the people as rapidly as possible through expansion of activities both in the public and in the private sectors. These activities can only achieve their objective to the extent that they are well managed. While there is considerable evidence of good management in certain fields of activity, the country has so far lacked organised facilities for development of scientific management. This void can only be adequately filled by a national management body which well set for itself the task of promoting progressive development of scientific management. Working with all other management organisations, it can consistently develop ideas and means for strengthening and utilising such facilities. It can establish its branches in the various parts of the country; organise conferences both regional and national, on Management; maintain a library of Management literature; encourage preparation, production and circulation of books, papers, results of specific studies, conference proceedings, periodicals, films and visual aids which contribute to the understanding of management practice and techniques and current developments in this sphere. It can

also provide a well-equipped information bureau and give lead to management research. Management organisations have already been established in Bangalore, Bombay, Hyderabad, Delhi, Coimbatore, etc. and have become active centres of Management movement in their respective areas. Thus, the seeds of scientific management have been sown. It is to be hoped that the All-India Management Association which has recently been formed will soon be able to provide the necessary leadership and co-ordination to integrate for the benefit of the nation as a whole the fruits of the effort made by the regional bodies.

### **Training in Foremanship and Supervision**

In any scheme of managerial talent and skills with particular reference to industry, one cannot by-pass the Foreman and the Supervisor. The Foreman has been variously described as "the Sergeant Major of Industry", "the man who is in the first rung of the management ladder." Modern industrial organisations, rendered necessary by competition both within the country and outside, to say nothing of the effects of modern legislation, have all thrown an increasing burden on the Foreman. The Foreman today is required to be an expert craftsman and a leader of men—two qualities which have become necessary more than ever before. In addition, his position as a junior executive calls for a thorough working knowledge of the firm of whose organisation he is a vital part. He is in daily contact with the Production Engineer, the Production Controller, the Estimators, the Rate Officers, the Time and Motion Study Engineers, the personnel of Wages and Costs Departments, and a host of others. If he is to co-operate fully and intelligently with these experts—and this should be his aim—he must know something of their organisation and methods and why and how they can be of some service to himself and he to them. It is therefore in the fitness of things that a programme of training in Foremanship and Supervision should be initiated and developed on a large scale in order to condition and equip the persons on whom the success of the industrial enterprises will largely depend. An appropriate step in this direction has been taken by the Board of Management Studies by preparing a national programme for the purpose which aims at the creation of a net-work of facilities for training in foremanship and supervision, distributed over the whole country.

## STATISTICS AND PLAN ADMINISTRATION

*B. Ramamurti*

**T**ILL the second world war, statistics were mostly a by-product of administration and regarded more as an index of results than as a basis for action. There was no dynamic relationship between statistical activity and administration. This was so even in some of the advanced countries. The second world war showed that for maximisation of war effort the Government had to take upon itself a number of new regulatory functions and that their administration could be run only on facts.

With the attainment of Independence, the adoption of the new constitution and the acceptance of a welfare State and a socialist pattern of society as the ultimate goal, the sphere of State activity in social and economic fields has been greatly enlarged. The country has now entered into an era of planning and the various activities of the State are getting woven more and more into an integrated whole.

Planning implies the fixing in advance of certain specific overall national targets, decided on consideration of short and long range needs on the one hand, and feasibility of accomplishment on the other. Thus, the two main targets of the second Plan are an increase in national income by 5 per cent. every year and an expansion of employment opportunities so as to absorb the addition to the labour force during the plan-period besides relieving under-employment in agriculture and in cottage and small-scale industries. The detailed targets in the different sectors are based on a survey of the goods and services consumed at present, the demand for such goods and services with the additions to income, and the possible levels of production that can be achieved with the available resources, both internal and external.

The production of a given quantity of one commodity requires appropriate quantities of other material. Hence the plan targets get inter-locked through inter-industry relations. The targets have to be internally consistent in the sense that the requirements should be balanced by supplies—of material, men or money, as the case may be. The formulation of the Plan thus obviously required a large and varied amount of detailed statistical information of many kinds such as inter-industry relations, increment of income and of employment per unit of additional investment, pattern of consumption of different goods and

services and how this pattern is likely to change with the increase of income.

From the point of view of the implementation too, the Plan has ultimately to be broken down into a number of schemes or targets, some of which are to be executed by the Central Government, some by the State Governments and local bodies, and others by private industry. A Plan cannot, therefore, be conceived of or implemented except through targets and statistics relating to them. Statistics are likely to become increasingly important as an administrative aid for the prompt and efficient attainment of the Plan targets. There has been recently a segregation, in some States, of the development functions from the normal regulatory ones, but it is doubtful if this segregation will ever come up to, or proceed beyond, the level of the Collector. Statistics are, thus, today an essential equipment in the tool-kit of all administrators who have anything to do with the execution of development plans. Here two things are important :

First of all, planning implies an integrated approach and it is, therefore, important for every administrative agency to realise this and to know broadly how the Plan has been arrived at, how the development of the schemes assigned to it is intrinsically related to the entire Plan of the country, how the short-falls in the execution of its own schemes would adversely affect the development of the Plan as a whole and how short-falls in other sectors would impinge upon its own. To illustrate the point, it would be necessary for those engaged in implementing agricultural schemes to know, for example, what would be the requirements of irrigation facilities, fertilizer etc; and unless these requirements are met according to the Plan, the schemes for agricultural production cannot succeed. The schemes involving heavy investment on basic industries and on services with the consequent increase in income cannot be carried out successfully without risk of inflation unless the production of consumer goods and services is adequately stepped up.

Secondly, the Plan aims at securing the greatest possible rise in the level of living with the resources available. That means an optimum utilisation of the resources and the best possible efficiency for a given effort. It means economy not only in regard to expenditure but also in regard to utilisation of manpower, materials and equipment. It follows that every administrative agency should watch carefully and precisely the progress made from time to time in regard to its schemes, compare the achievements against the targets fixed, and constantly review the efficiency of implementation. Such a review and critical assessment are necessary in order that the pace of development follows

the programme laid down, and that corrective steps may be taken at each stage of progress rather than it be discovered at the end of the plan-period that things had not gone well. In short, the administrative control system must measure accomplishment continuously and compare actual progress with what was expected.

## II

How is a continuous review of plan-implementation to be undertaken at the various levels ? What should be the appropriate statistical review-techniques and control-mechanism ? Before considering these two important questions, it may be interesting to describe briefly here how similar problems have been handled in industry and office management by some of the operation study techniques already developed.

In industry, the techniques of Statistical Quality Control (S.Q.C.), developed during the last three decades, are being extensively used with considerable resulting gains in mass production. The ultimate object is to control and improve the quality of the end-products and to bring the deviations from the standard within the specification limits laid down. The method consists in observing the 'variations' at each stage of the manufacturing process through statistical control charts, and studying how far these conform to the control limits set on the basis of prior experience. If the variations are considerable and exceed the control limits, the matter is referred to the technicians for investigation and for taking corrective measures. The result is again watched through control charts and adjustments made to bring the entire manufacturing process under control. Obviously, this ensures better quality of the final product. The other alternative is to wait till the final product is manufactured, then inspect and reject if it does not conform to the specifications. That would mean considerable inspection-load and wastage of materials, time and other resources. On the other hand, the S.Q.C. enables the spotting out of defects as they develop, and taking of timely remedial measures to correct them.

The control charts are based on observation of a sample of the products at each stage. It has been found by experience that the S.Q.C. yields the maximum results if the specialist in Quality Control could get the workers themselves and their executives "Quality-Control minded." The control charts could easily be explained to the workers. In other words, the success of the technique depends on the teamwork of the Quality Control experts, technicians and operators and also the management. It is, therefore, necessary for the top

management to appreciate the advantage of Quality Control methods and to encourage their use.

The Statistical Quality Control charts can be instituted at each stage of production. They may be very detailed ones at the lowest level, *i.e.* at the level of the individual worker. The amount of detail generally decreases as one goes from the worker to the top executives; the latter need only a few charts showing the broad position on the level of quality attained at each stage.

The same principle applies in a general way even to office management. The Central O & M Division which was set up about 3 years ago is motivated by similar objectives in the field of office work. According to Shri S.B. Bapat "In simple terms it (O & M) means paying intelligent and critical attention not only to what is done, but also to how it is done and at what cost in terms of labour and money; *paying attention to the machine and its working processes and not merely to its end-product.*"\* The Division has instituted a system of statistical abstracts—(1) a return of primary receipts pending at the end of the month and (2) monthly statements of cases pending over a month. These serve as an indicator of comparative efficiency in disposal of work. A Quality Control drive was also undertaken and certain "case studies" in regard to speed and quality of work have been conducted. The latest studies are being undertaken on a stratified-cum-random sampling basis. It may, however, be mentioned here that the system of statistical returns helps to spot only the accumulations of arrears of work; it does not in any way show the changes in the quality-standards. The nature of office work is such as it is not possible to fix very precise targets or to lay down detailed specifications for assessment of work-loads. It may be possible to evolve certain statistical measures of office efficiency both in terms of quantity and quality of work, but these would involve lengthy and complicated calculations and the effort spent may very likely defeat its very purpose.

### III

Reverting to the subject of the country's Plan, it may be mentioned that a high-level "Committee on Plan Projects" was recently set up with the object of ensuring economy, efficiency and speed in the execution of the Plan schemes. To this end the Committee proposes to conduct, in collaboration with project authorities, investigations and studies for evolving suitable form of organisations and methods and for standardisation of techniques. Considerations of

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\*IJPA, Vol.I, No.1, p.61

economy consistent with efficiency would obviously require measures for most effective utilisation and conservation of the existing resources, material, financial and human. The studies which the Committee might undertake should include a review of the progress made in the implementation of selected plan projects, an investigation into the causes which impede further progress, an assessment of the present work-loads and potentialities of the existing organisation and methods of work to achieve the final targets, and proposals for improving speed and efficiency of 'execution'.

The terms of reference of the Committee on Plan Projects, however, do not cover the devising of a suitable control mechanism to ensure a continuous and steady progress in the implementation of the Plan in all its details. The control mechanism for regulating the progress of the Plan schemes becomes increasingly essential as the country proceeds from one Plan to another. While it is possible to experiment with different methods and techniques of production in regard to a single commodity or service, it is not so in the case of the country's economy. It is too early to say what would be the final form of measures of control. But, essentially these would have to be in the nature of the statistical operational control. Statistical techniques, thus, hold the key to the solution of the problem of regulating the pace of plans of development.

The control mechanism, to be effective, would have to start with individual schemes. The evaluation of progress in individual schemes should not be a difficult task. It calls for only a few basic statistics, relating to outlay, output or benefits, requirements of men, materials and equipment. In respect of each of these, the actuals should be judged against the targets laid down. It would be necessary to examine the causes of short-falls and to devise measures to overcome them. If, in spite of that, it is felt that the targets could not be achieved, the targets are to be revised.

At a higher vertical level, it would be necessary to review the progress of all schemes falling within a certain sector as a whole, say, industry. This would require not merely a study of the progress of individual projects but also of the overall progress, the relative efficiency of the different units, the reasons for the poor performance of some of the units as well as for the good performance of the more efficient units.

Besides the evaluation of specific projects and sectors, there is need for an assessment of the over-all progress in the implementation of the Plan. Thus, the District Development Officer should review as a whole the progress of the schemes being implemented in the district. It would not be possible for the District Development Officer,

however intelligent he may be, to form a precise idea of the progress only through personal observation. It is necessary that statistics should be collected, processed and maintained in a form, which could be easily understood by the executive machinery. The district statistical agencies, now being set up by the State Governments under assistance from the Centre, could be of much use in this regard. The District Development Officer should be able not only to assess the progress of the Plan as a whole at the district level but also to watch the overall impact of the developmental schemes on the life of the people.

The above equally applies to the State and National levels. Here, the progress of the Plan requires to be continuously watched both vertically and horizontally by the implementing agencies as well as by the planning bodies. At both these levels, it is desirable to study, through suitable statistical series and economy indicators, not only the progress in regard to the attainment of physical targets but also the impact on economy, the increase in resources, income and living standards, etc.

At the overall level, besides the evaluation by the implementing and planning agencies, there should be an objective evaluation done by an independent evaluation organisation. The Programme Evaluation Organisation in the Planning Commission supplies this need in regard to the community projects and national extension service. Such evaluation needs to be extended to the entire Plan and for the entire economy.

The principles of review and control when applied to the country as a whole leads to the idea of a flexible Plan. In the case of industrial products the specifications are generally fixed in advance, keeping in view the requirements of the customers, and do not generally admit of any relaxation; but the targets for the economy as a whole, cannot in the nature of things, have the same rigidity. The Plan must have the requisite flexibility and resilience to give it a dynamic character.

#### IV

It would not be out of place to mention here the recent attempts made to get the entire statistical organisation of the country geared to the needs of planning. A number of studies relating to national planning were undertaken by the Indian Statistical Institute and the Central Statistical Organisation so as to provide the basic data for the formulation of the Second Five Year Plan. Suitable forms for the reporting of projects and progress in their implementation have been designed along with instructions; and statistical agencies are assisting



the executive bodies in regard to the accurate filling up of these forms. They call for comprehensive data in all aspects—investment output, employment, materials and equipment, and would help to ensure a continuous watch of the progress. Steps are being taken to adopt a phased programme of active “progressing” of the implementation of the Plan by statistical agencies in the Centre and of the States. With a democratic approach to planning, the presentation and dissemination of statistics relating to the Plan and its progress, through charts, diagrams, exhibitions, have also become important. An Exhibition Hall is maintained in the Central Statistical Organisation depicting in graphs, charts and diagrams the developing economy of the country. Pictorial representations are being increasingly made available to the public.

For making an effective use of statistics in relation to planning, attention has to be concentrated on improving their timeliness, quality and coverage. Studies would have to be undertaken not only in regard to average performance but also apart the variations in performance, the best performance and the worst performance with an analysis of the causes for the same. A number of technical co-efficients, capital-output ratios, capital-employment ratios, employment-output ratios, norms of material requirements, yardstick of production in relation to various inputs, etc. will also have to be systematically worked out and maintained. Studies will also be required of consumer demand, input-output ratios, social accounts and related flows, and the like. Attention has also to be paid to the problem of measurement of disparities as between different regions, and between different social and economic classes.

The development of statistical measures for controlling the implementation of the Plan would invariably involve a wide use of sampling techniques. There already exists, since 1950, a National Sample Survey Organisation as the multi-purpose fact-finding agency of the Union Government for continuous collection of data on a sampling basis, required for purposes of national income and national planning. The scope of sampling techniques has recently been enlarged to cover even office procedures and progress of Plan projects. As examples of sampling methods in new fields may be mentioned the survey of newspaper readership conducted by the National Sample Survey Organisation for the Press Commission; the sampling plan for overall evaluation of the large number of local development works all over the country, prepared at the request of the Planning Commission; and the sampling of the huge pile of refugee applications in order to determine the magnitude of their overall demands. Sampling techniques would have to be widely used in evolving control measures

for regulating the operations of the Plan. The conducting of such "operational" studies, practically so far unknown in India, will require a high degree of co-operation between statistical, planning, executive and administrative agencies.

Sampling not only provides a scientific basis for estimation of the position as a whole but has also the psychological aspect of toning up efficiency of each unit. As each unit has an equal chance of being included in the random sample, fearing so it would by itself try to make the necessary efforts to tone up its own programme.

## V

To sum up, planning implies a continuous process of formulation, implementation, evaluation, re-formulation etc. Statistics and statistical techniques form an indispensable tool at every stage in this continuous process. Though a great step forward in development of statistics has been taken during recent years, much still remains to be done especially in regard to plan control and plan evaluation which will enable the statistical agency to draw (as in S.Q.C.) the attention of the authorities promptly as soon as it is found that the schemes are not proceeding according to schedule or that some weakness in the economy is developing, so that the necessary corrective measures may be taken by the administrative agencies with utmost expedition.

As has been conclusively shown by the use of S.Q.C. in Industry, and by O & M in the Office Management, the success of the statistical measures of control of the implementation of the Plan would depend not only on the proficiency of the statistical agency, but also largely on how far it succeeds in making the administrative and executive agencies "statistically minded" and in convincing them of the utility of statistics. The statistician also cannot be fully successful in his task unless he is in close touch with the subject in which he applies his statistical techniques and with those concerned with the execution of projects in that field.

In this context, the question of dissemination of statistics in a manner that could be easily understood by the executive agencies is important. While detailed control statistics may be maintained at the lowest levels, the less detailed and the more attractive are the control statistics presented to the higher executives the more effective will be their appreciation and utilisation. On the other side, there should be sufficient realisation on the part of the administrator of the need of statistics and statistical techniques for this purpose. He must have some basic understanding of the statistical method. It would

be helpful in this regard if, in the courses of training generally given to the probationers of the administrative services, suitable instructions are imparted in the elements of statistical method, the sources of official statistics, their coverage and limitations and the importance of statistics in plan administration. The administrator should thus have sufficient knowledge to be able to recognise the potential contribution that statistics and statistical techniques have to offer. He should demand facts about matters on which decisions and policies have to be made. He should encourage the use of statistics and point out defects, if any, which come to light in the process of the utilisation of these statistics. At the same time the statisticians should realise that while statistical facts and the trend they indicate or the story they tell do play an important part, policy making has perforce to take into account many other factors which could not be quantified.

The comparative usefulness of different methods or techniques may be simultaneously studied in industry, but no similar experiment can be carried out on alternative economies. Here, guidance and foresight are provided mostly by hind-sight, *i.e.* critical review of the past performance. Planning thus gets its momentum from the achievements of the past. Better implementation and better evaluation of the past Plans would lead to a better Plan in the future; and experience with mechanism of operational control in other countries has shown that this can be achieved only through a team-effort of the administrative, executive and statistical and other technical agencies.



## RECRUITMENT AND TRAINING FOR PUBLIC SERVICES

*(We reproduce below the two working papers which were prepared for the Seminar on "Recruitment and Training for Public Services" which was organised by the Institute at New Delhi on the 3rd March, 1957. These papers will also be further considered at the annual conference of the members of the Institute to be held at New Delhi on April 7, 1957—Ed.)*

### I

#### RECRUITMENT TO PUBLIC SERVICES

**B**BROADLY speaking, a university degree in arts, or the pure sciences, is an essential qualification for direct recruitment, not only to the administrative and the executive Services in India, but also to many of the sub-executive and higher clerical Services. For the lower clerical Services, the academical qualification required is either intermediate in arts, or science, or a matriculation. The criticism is levelled against the present system that it encourages far too many persons to study for university degrees, resulting in overcrowding in the universities, and fall in the standard of higher education. Further, that university education is not really required for the executive, or clerical, Services, and that a great deal of waste of time and energy of young persons would be avoided if they were enabled to enter such Services at a lower educational level, and thus to acquire, while they are still young, the knowledge and skill needed for work in the Service. The critics cite in support the recruitment system in the United Kingdom, which is designed to link recruitment to definite stages in the current educational processes; the administrative class takes a share of the best products of the universities; the executive class, with some exceptions, draws its recruits from the Sixth Forms of the secondary grammar schools; the clerical class mostly from the less bright products of the same schools; and the sub-clerical cadres depend on the products of the modern and technical schools. The age of entry to each of the classes is also adjusted to the college and school-leaving ages.

2. The other view is that, with some modifications, in regard to the lower cadres, the present recruitment system should continue.

The reform of the educational system, it is argued, should be determined by broad educational and social considerations, and sought directly, and not through altering recruitment qualifications. So long as the educational system yields graduates in numbers sufficient for meeting the requirements of the executive, sub-executive and the higher clerical classes, it is in the interest of the public service that these classes should continue to be manned by graduates whose intellectual training and attainments, and greater maturity, cannot but prove useful to work in the Service. The fact that a proportion of posts in the administrative and the executive Services is filled by promotion from the executive and lower Services, respectively, is urged as another reason for retaining a degree as an essential qualification for recruitment to the executive and the higher clerical Services.

3. The real area of disagreement is confined to the executive, sub-executive and the higher clerical Services, and it may be considered whether a degree should remain a qualification for direct recruitment to all or any of these Services.

4. There is yet another point of view, which while recognising that the higher executive and administrative Services require maturity of outlook, intellectual training, and background of knowledge, considers that where appointment to those Services depends on the results of a written competitive examination, a university degree should not be insisted upon. The intellectual and other qualities would, many case, be tested at the competitive examination, and insistence on a university degree, it is argued, only leads to overcrowding in the universities.

5. Direct recruitment to the administrative and most of the executive Services is made—with few exceptions—on the result of competitive examinations, the scheme of which is based mainly on the ideas that there should be—

- (a) a test of intellectual ability and scholastic attainments through a written examination in subjects of the candidate's choice, which might or might not have any direct relevance to a civil servant's work (optional papers);
- (b) a written test common to all candidates, designed to test capacity for effective thinking, sense of form, power of clear and lucid expression, and general knowledge (compulsory papers); and
- (c) an interview to assess a candidate's personal qualities, including certain intellectual qualities which cannot be tested at a written examination.

6. This scheme of competition represents a compromise between, or, as its supporters say, a harmonious blending of, three different views about what should be looked for, and how, in a candidate for an executive or administrative Service (as distinguished from a technical or professional Service). One of these views is that it is not necessary to look for knowledge of particular subjects that would be of direct utility in the Service; that the search should be for good mental equipment and intellectual training as such; and that there is such close affinity between the qualities needed for academic pursuits, and for work in the Civil Service, that the person who distinguishes himself in one, is likely to distinguish himself in the other. This faith in the value of scholastic discipline and attainments for selection of civil servants was first propounded by Macaulay in the 'thirties of the last century; it determined the character of the I.C.S. examination almost entirely until 1921, and largely until the examination was given up; and it is still the assumption underlying the optional papers. Sharply contrasted with this is the view that the object of selection should be the assessment of the entire personality of a candidate, and to match the person chosen with the nature of work in the Service. The best example of this method of selection is Method II for recruitment to the administrative class in the United Kingdom. Instead of examining the purely intellectual qualities of candidates by setting them written papers calling for the sort of knowledge and mental ability demanded by an Honours degree in a British university, the Civil Service Selection Board tests the candidate's potential working ability in dealing with hypothetical administrative problems. The candidates are required to have at least second-class Honours degree, and to appear at a written examination in essay, English and general papers. This written examination is, however, mainly a qualifying rather than a competitive one; and the ultimate selection is made on the results of personal tests and interviews extending over some three days. In between these two contrasting approaches—one looking for intellectual qualities and attainments as such irrespective of the subject studied, and the other seeking specific personal qualities needed for the type of work in the Civil Service—there is the French system, which aims at selecting for the administrative class, persons with intellectual ability and training, but whose intellectual training has been in subjects which, in French view, provide the essential background, and knowledge, needed for work in the Service. The French entrance examinations for the School of National Administration are largely designed on this basis. Three out of the four papers which every candidate has to write, relate to politics, economics and sociology; the fourth deals with knowledge of a foreign language; and the candidates who have been declared admissible have to write

a further paper on administrative law, financial science and legislation, social economy, or history of international relations, according to the section of the School they wish to enter. The French, in effect, push vocational training back into the university years, and encourage candidates for their administrative class to specialize in the social sciences.

7. In the Indian scheme of competition, the optional papers recognise the importance of intellectual equipment and attainments as such. The compulsory papers seek to provide a sort of counterpoise to narrow academic specialization, and at the same time to test abilities and interests required for work in the Civil Service. And the personality test, which underlines the importance of personal qualities, has something in common, with the U.K. Method II. Where low marks at the personality test are not merely a handicap, but constitute a disqualification, the personality test may tend to assume at least equal, and perhaps, more decisive importance than the written intellectual tests. This is borne out by an analysis of the results of the I.A.S. and the Allied Services examinations held during the years 1947-'55. Roughly speaking, one out of every five candidates qualified at the written test, and was called for interview; and of those called for interview, two in every three candidates were disqualified. Many of those disqualified had done extraordinarily well at the written examination.

8. The questions that arise for consideration are :

- (i) Does the general scheme of competition in India require any modification; and if so, what ? and
- (ii) Is the conception of a personality test, at which candidates who do not give evidence of certain personal qualities at an interview, lasting 20 to 30 minutes, are disqualified, a sound one ?

9. Graduates in agriculture, and civil, mechanical or electrical engineering, are eligible for the I.A.S. examination; but those in other branches of engineering, or technology, for instance, chemical engineering, or metallurgy, are ineligible. The argument usually advanced in support of these exclusions, is that the study of professional and technical subjects does not ensure the degree of general cultural outlook, required in an administrative officer, and usually found in graduates in arts or the pure sciences. Against this, it is pointed out that the scheme of the competitive examination is such that a candidate whose interests are confined to professional, or technical, subjects, cannot possibly get through, as he will have to take some

optional papers in subjects outside his professional and technical speciality, to do well in the compulsory papers, and to show, at the personality test, that he has some general and cultural interests. It is further urged that if a degree course in commerce can be regarded as providing liberal education, and one likely to develop a broad cultural outlook, a course in engineering, or technology, ought not to be considered to be devoid of cultural value, or incapable of developing a broad outlook. To the argument that entry into the administrative Services of persons with technical and professional qualifications would involve wastage of highly trained manpower, which is in short supply, the answer given is that not many such persons are likely to succeed; that persons with technical and professional degrees should not be allowed to have a feeling that the door to the highest Civil Services in the country has been firmly closed against them; and that a small number of technically qualified persons coming into the administrative Services would bring with them something of special value to those Services. They would not function as specialists; but they would, so to speak, serve as a useful bridge between the specialists, and the administrative and political part of Government. Technical problems, it is added, are bound to assume increasing importance, and that, while that is no reason to look for technical qualifications in administrators, it would be equally wrong to consider technical knowledge a disqualification in an administrator. The point to be considered is whether persons with technical and professional degrees should, with or without any distinction, be made eligible for the various executive and administrative services.

10. In our defence forces there is a system of recruiting cadets, between 14-16 of age, who, after a training of 4 years, are commissioned into the Indian Army, Navy or Air Force. The training is both in general and professional subjects, the object being the attainment of the requisite educational standard, and the acquisition, at the same time, of the mental, moral and physical qualities essential to the progressive and continued development as an officer. It is sometimes suggested that a similar system should be adopted for recruitment to the administrative Services; that in other words, the State should take charge of the education of its future administrators by catching them young. Against this, it is urged that it would not only create a feeling of exclusiveness among the administrative Services, and thereby widen the gulf between them and the public, but would also deprive the future administrators of the benefits of a truly liberal education which the universities provide partly through opportunities for close contact between students of different disciplines, and with diverse aims, aspirations and interests. A training academy, howso-



ever well-equipped and staffed it might be, would lack the academic and cultural atmosphere of a university, and would promote intellectual in-breeding, rather than a widening of outlook and interests. It is further said that the virtual loss of prospects of entering the administrative Services would have a depressing effect on university students, and increase the sense of frustration that already exists. The suggestion may be considered in terms of its likely effects on the Services, as well as on university education.

11. A certain proportion of the recruitment to the administrative and the executive Services is by promotion from the lower Services. While the proportion in the case of the administrative Services is only about 25%, it is usually higher in the case of the executive Services; in some states, in fact, there is hardly any direct recruitment to the State Civil Service. One view is that there should be more recruitment by promotion; this would increase the incentive for good work among the personnel of the lower Services, and would bring into the higher cadres tried and tested men who had proved their worth as functioning civil servants. It is also sometimes said that while inequality of educational opportunities handicaps talented persons from the poorer classes in direct recruitment to the higher cadres, they are able to prove their real worth once they are in service, and that more promotions are therefore likely to "democratize" the higher cadres, without lowering their efficiency. On the other side it is urged that work in subordinate capacities gives to a civil servant a restricted outlook and approach, and that he is usually not able to adapt himself to the requirements of a higher Service; further, that if the higher executive and administrative Services are to get their due share of the cream of the universities, the bulk of the recruitment to those Services must be direct; for, a talented young person would not wish to enter the civil service at a lower level.

12. It has been suggested from time to time that there should be some over-age, lateral, recruitment to the higher grades of the administrative Services, regularly. The object of the recruitment would be to bring into those Services persons who had distinguished themselves in other walks of life—*e.g.* the academic or the industrial—but who, possessing aptitude for administrative functions, wished to change their profession. Such men, it is said, would bring new ideas, and experience into the Service, and act as a most useful leaven. The points usually urged against this suggestion are that it would be difficult for such persons to acquire the outlook, and master the techniques and subtleties of public administration, and that over-age recruitment would have an adverse effect on the prospects, and therefore, on the morale of the regular recruits.

## II

### TRAINING OF CIVIL SERVANTS

EVERY year the Union Public Service Commission holds a combined competitive examination for recruitment to a dozen Services. Two of the Services to which recruitment is so made are all-India Services, *viz.* the Indian Administrative Service and the Indian Police Service and the others are Central Government Services. The examination is confined to Graduates of recognised Universities. The subjects in which the candidates are examined have no direct relevance to the work they would have to do on their appointment to government service. The examination is designed only to test the general intelligence of the candidates. The candidates appointed on the basis of such an examination have to be trained to enable them to acquire the necessary knowledge and skill without which they cannot do any effective work in the service. In this paper an attempt has been made to give a brief description of the methods of training followed and also to draw attention to some problems that seem to deserve further examination.

The Indian Administrative Service Probationer, on appointment to the Service, is sent to the Training School at Delhi for a year. During this period he is required to study the constitution and five year plans of India, the criminal law of the country—*i.e.* the Indian Penal Code, the Criminal Procedure Code and the Indian Evidence Act—, Indian History in its social and political aspects, the general principles of Economics and their application to Indian conditions, the general principles of Public Administration and organisation of Government institutions, Hindi and a regional language of the State to which he is allotted. Proficiency in these subjects is tested by a final examination conducted by the U.P.S.C. and confirmation in the Service follows on the passing of this examination and the completion of a year of service.

The subjects for study in the School, except for criminal law and the regional language, are of no direct or immediate utility in making the officer fit to undertake even the work which would confront him in the first few years of his service before he is placed in charge of a district. An officer is normally expected to be able to become fit to hold the post of Collector by about the 6th year of service. For this

he requires and is given further training. But this further training is given on the job, following a regular programme, in the first year or eighteen months (the actual period varies from State to State). He is then given the responsible charge of a Sub-Division. For giving him a variety of experience not only is he transferred from district to district at intervals of a couple of years or so but he is also sent to the Secretariat for about 18 months to work as an Under-Secretary. All this is really intended to be training for making him fit for holding charge of a district or of other posts of equivalent responsibility. In the first year or 18 months, however, the training aspect is consciously emphasised and a regular programme of training is laid down. A good illustration of such a programme is that of the Madras Government. Not all State Governments have prescribed the programme in such meticulous detail but, by and large and subject to variations dictated by local conditions, the general line of practical training may be said to be the same.

The Indian Foreign Service, a new Service, has a programme of training covering the first three years of the service of a recruit. Except for the period of district attachment when he will get some contact with practical work and the period of Secretariat training, the programme primarily emphasises study of languages (Hindi and a foreign language) and of subjects knowledge of which is essential to an officer of the Service.

The recruits to the Indian Police Service are trained in the Central Police Training College at Mount Abu. The subjects for study and the training in drill, handling of weapons, etc. are more directly related to the normal work of a Police officer than in the case of the I.A.S. At the end of the year's training at this institution, these probationers also have to pass a final examination conducted by the U.P.S.C.

But on the completion of this institutional training, they are no more fitted to assume the responsibility of an Assistant Superintendent of Police, the first posting of an I.P.S. officer, than an I.A.S. officer is fit to hold charge of a sub-division. In his case also a detailed programme of training is prescribed. He learns his job by doing the work of various subordinate officers, under guidance. This training also lasts for about a year and it is only then that he assumes the normal responsibilities of an Assistant Superintendent of Police.

The recruit to the Indian Audit and Accounts Service spends a year at the department's training school at Simla. The training in

this School, however, differs in some material respects from that of the I.A.S. and even of the I.F.S. He has to study primarily the subjects which have a direct bearing on his work. In fact the examination which he takes at the end of the training is the normal departmental examination on subjects of which an adequate knowledge is necessary to enable him to do his work. (The I.A.S. officers have in addition to the final examination conducted by the U.P.S.C. to pass the departmental examinations of the States to which they are allotted within the first two years of their posting to the State. The subjects for these examinations are those which have a direct bearing on their work, viz. criminal law and local laws, revenue and tenancy laws, accounts, Civil Procedure, the regional language etc.) Since the subjects studied have a direct bearing on his work and since at the end of the training the officer is posted as an Assistant Accounts Officer, during training period itself arrangements are made for practical training by making him watch the work of the various sections of the A.G. Punjab and by attaching him to a district Treasury and a P.W.D. divisional accounts office for specified periods. It may be said, therefore, that the basic method of training followed in the case of the I.A. & A.S. recruit is "on-the-job" training or as similar to it as can be arranged when a number of trainees are in a central institution. In addition, instead of, as in the past, expecting him to pass the departmental examinations largely without guidance, he is given systematic instruction in these subjects.

The training of the Income-tax Service probationer follows the same pattern as that of the I.A. & A.S. probationer except that the period of attachment to the Training School at Calcutta is 18 months.

The Railway Board runs a Staff College at Baroda. It is not intended only for the training of the recruits to the Traffic, Transportation and Commercial Department and to the Railway Accounts Service. Several special and refresher courses are arranged for serving officers. The new recruits to the T.T. & C.D., however, spend a period in the Staff College. It is 3½ months, in two instalments of 2 and 1½ months each at the beginning and the middle of the two-year programme of training; and two months at the beginning in the case of the I.R.A.S. officers. The two months' course at the beginning is common to the two Services. The whole course of training is severely practical and the courses of study in the Staff College are directly related to the work of these officers.

In respect of one other Service, the Central Secretariat Service Grade III, training in a central institution, the Secretariat Training

School, is undertaken. Here again the institutional training is related to the work of the officers. On the completion of their training they may not be given charge of Sections, and may have to work as Assistants for a short while before they become Section Officers. The reason for this, however, appears to be not so much lack of trainee's knowledge of the work as the need for further practical experience before he can assume the supervisory responsibilities of a Section Officer.

In regard to the other Services, however, the training is on the job, under the guidance of experienced officers. The detailed programme provides for the trainee first watching and then actually doing the work of the various subordinates who will ultimately be under his control when he becomes a full-fledged junior officer of the Service. No special central training institution seems to have been set up in respect of these services though where one exists for other subordinate personnel, as in the Postal Department, the recruit to the Class I service may be sent to it for a period. The method of training followed by the Postal Department illustrates the practice adopted by these departments.

Certain general conclusions may, it seems, be drawn from the above account of the practice followed in respect of the various Services. The basic method of training to fit the individual for his work—to enable him to be effective—is on-the-job. This, however, is supplemented where conditions are favourable by instruction in a central institution in the laws, rules, regulations and manuals. The conditions that favour such a course are : (a) the subjects to be taught should be such that without positive instruction and guidance even an intelligent young man is likely to have difficulty in mastering them and in any case will waste too much time and effort; (b) there are enough recruits in a year to run a central training institution or alternatively an existing institution can be utilised for such training, in which case a much smaller number of recruits annually admitted to the Service could be trained in the central institution, and (c) since a new comer to working life is rather keen on getting down to a job of work, it will be possible to arrange for at least a reasonable amount of practical work even when the trainees are in a central institution. These conditions may, by and large, be said to be satisfied by the Services, which have arranged for central training though not in their entirety in the case of the I.A.S.

Where these conditions do not obtain, there is no possibility of running a central training institution. In such cases, however, it is possible, in fact it is a common experience, that the quality of the

training given varies and very often the trainee has to learn by a rather wasteful and perhaps avoidable process of irritating trial and error.

As mentioned earlier, the present method of training for the I.A.S. cannot be said to satisfy fully the third condition of giving a reasonable amount of practical training during the probationer's attachment to the Training School. It is not easy to arrange for practical training in a place like Delhi of the large number of persons annually recruited to the I.A.S., particularly if the practical work is to be, as it will have to be to serve a useful purpose, similar to the work they will have to do in the districts in the first few years. For one thing, the still considerable variations in the systems of administration, especially of land revenue administration, rule out not only practical training but even theoretical instruction in many aspects of his work.

Magisterial work requires a basic knowledge of law. In other words, practical work is not possible in regard to the bulk of the work of an I.A.S. officer in the first few years of his service. The most that can be done is to arrange study tours and visits to courts, district, sub-divisional and tahsil headquarters etc. and this is done.

Further though the basic post of the I.A.S. officer is that of District Collector, he is not confined to it and increasing numbers of officers are required for a variety of posts of general administration. The widening sphere of governmental activity which has led to the description of the higher Civil Servant as the "Social Scientist in Action" demand of the civil servant knowledge of the fundamentals of political science, economics, sociology, social psychology, anthropology etc., *i.e.*, of the social sciences, and in this technological age, some understanding of the physical and natural services also. A question that arises for consideration in this connection is whether in the central training of the I.A.S., efforts should be made to include instruction in these subjects in the curriculum. At least to teach law and Hindi some period of institutional training is necessary. This has been availed of to include in the curriculum some instruction in the Constitution, Economics, Indian History and principles of Public Administration. In the time available, and in view of the fact that a substantial proportion of recruits every year are purely Science Graduates, most of whom have had no contact worth mentioning with any of the Social Sciences, the standard of knowledge expected in these subjects at the end of the year's training is rather modest. The question thus resolves itself into a choice between leaving the curriculum unchanged or enlarging it but diluting the standards further or extending the period of training and insisting on an adequate standard of knowledge in the subjects of a wider curriculum.

Whatever may have been the justification in the past for leaving the acquisition of knowledge in these fields of study to the private unaided efforts of the individual officer, certain recent developments seem to indicate that the last course is inevitable. The first is the much larger annual intake of recruits which facilitates the entry into the service of a large number of young men who have made no attempt to get even a cursory acquaintance with subjects outside those taken for their Degree examination. Some positive steps to widen their background knowledge are essential. Secondly, there is a vital difference in the conditions of work introduced by the entrustment of the policy-making function to the political executive when compared with the conditions when policy decisions were taken by persons with the same background of education, training and experience. Thirdly, the sheer volume and pressure of work leaves little time for study and any steps that will help in obviating wasted effort should be welcome, especially as the very pressure of work deprives the young officer of the opportunities for personal guidance from his more experienced colleagues and seniors.

The curricula of training in the other departments which have set up central training institutions seem to be generally suitable for the purpose for which they are designed. It is, however, possible to argue in regard to the Services concerned with the collection of taxes that a combined course of instruction in the theoretical aspects of their work might perhaps be of benefit.

In regard to the I.A. & A.S., however, it is worth considering whether the assumption underlying the present course of training, *viz.* that its work is of so specialised a nature as to require separate training, is fully justified. Certainly, there is a considerable amount of technical speciality in audit work and some special training is obviously needed. But the holders of the higher posts in the department, who are drawn from the Service, have to give attention primarily to what is called higher audit rather than to mere technicalities. This work seems to require, a wider outlook, an understanding of social pressures and processes, and an appreciation of the administrative view point. Whether from this point of view, a combined course of basic training with the I.A.S. in the wider curriculum suggested earlier is not desirable seems to deserve consideration.

## EDITORIAL NOTES

As promised, this issue of the *Journal* comes out at the beginning of the second quarter rather than towards its end. In effect, it has meant the publication of two issues during the first four months of the year.

Mr. Appleby's comments on "*Morale* at Subordinate Levels", which appear in the beginning of this issue, though recorded about three years ago, are still valid. It is on the quality and *morale* of the human element that the efficiency of the administration finally depends. Good organisation does help but without good personnel it is of little avail.

The present issue also includes two papers which were discussed at the Institute's Seminar on "Recruitment and Training for Public Services" held in March last. Another article briefly describes the present system of selection of officers for the armed forces. Problems of recruitment and training have assumed a new significance in the context of the complex and varied tasks which have devolved on the administrators with the launching of development plans. We hope to publish a series of contributions on these subjects in the future issues of the *Journal*.

—Editor



# NEWS FROM INDIA AND ABROAD

## INDIA

### *Re-organisation of Administration in N.E. Railway*

The Railway Board has decided to introduce the "divisional" system in the North Eastern Railway in order to improve the efficiency of the railway organisation of that region. The N.E. Railway will be divided into seven divisions to be located at Lucknow, Banaras, Izatnagar, Muzaffarpur, Katihar, Alipur, Duar and Pandu. Each division will be under Divisional Superintendent who will function like a miniature General Manager, with complete powers of co-ordination of the work of practically all the offices in his division. The divisional system has for many years been in use on the Eastern and Northern Railways. It was introduced in the Central, Western and Southern Railways last year.

### *Trained Personnel for Agriculture*

The Planning Commission has constituted a committee under the chairmanship of Shri P.N. Thapar, Secretary, Union Ministry of Agriculture, to examine the country's future requirements of trained personnel for agriculture and allied fields.

The terms of reference of the committee are : to examine the present position in regard to the supply of trained technical, scientific and administrative personnel, with special reference to existing or expected shortages; to make a fresh assessment of requirements for the second and the third Five Year Plans keeping in view the increased targets of agricultural production and the long-term proposals of development in different fields; to review the present programmes for the expansion of training facilities and the progress made in their implementation; and to recommend measures to augment the training facilities and formulate a phased programme to give effect to them.

### *Technical Audit Organisation for C.P.W.D. Works*

In pursuance of the recommendation of the Public Accounts Committee, the Government of India has decided to set up a Chief Technical Examiner's Organisation in the Ministry of Works, Housing and Supply for technical audit of the works carried out by the Central Public Works Department.

To start with, a senior engineer of the status of a superintending engineer, assisted by two engineers of the grade of executive engineer, will be in charge of the Organisation.

The Organisation will be responsible for the inspection of important works during and after construction with a view to ensuring that the quality and progress of work are according to specification and schedule, and that no

unnecessary deviations are made during construction. It will also inspect works carried out departmentally for ascertaining that excessive use of materials and labour has not been made.

### *A Research, Design and Standardization Organisation for Railways*

The Government of India has decided to merge the Central Standards Office for Railways and the Railway Testing and Research Centre into one organisation to be known as the Research, Design and Standardization Organisation. The new organisation will be headed by a Director-General who will be assisted by three Directors.

To make a concerted effort for furtherance of research activities and to secure the participation of important laboratories, railway research work would hereafter be controlled by the Central Board of Railway Research comprising (1) the Chairman, Railway Board; (2) Member (Engineering), Railway Board; (3 & 4) two representatives to be nominated by the Council of Scientific and Industrial Research. The Director-General, Research, Design and Standardization Organisation, will function as the Secretary of the Research Board.

### *Terms of Reference of Export Promotion Committee*

The Government of India has set up a Committee to make a comprehensive study of, and recommendations on, the various aspects of trade promotion. Its terms of reference include : the nature of fiscal or other concessions and credit facilities necessary for stimulating exports and the procedure for giving this assistance; the lines on which special agencies such as Export Promotion Councils, Commodity Boards etc. should be developed; the assistance required for expeditious movement for export both by rail and sea; simplification of commercial transactions by provision of facilities for the settlement of trade disputes, conduct of pre-shipment surveys, quality control, standards in export goods, nature of propaganda to be conducted in foreign markets and the need for development of marketing agencies abroad and the adequacy of the service rendered at present by agencies like the Directorate-General of Commercial Intelligence and Statistics, the Trade Commissioners Organisation, etc. for promoting trade. Dr. V.L. D'Souza, former Vice-Chancellor, Mysore University, will be the Chairman of the Committee.

### *Scheme to Divert Educated Unemployed from 'White Collar' Jobs*

The Government of India has sanctioned a pilot scheme to help the educated unemployed enter into avenues of employment other than 'white collar' jobs and also develop in them a sense of dignity of labour and reliance on self-help.

Under the scheme, four Work and Orientation Centres will be set up in the country, one each in the States of Kerala, Delhi, West Bengal and Uttar Pradesh. At each of the proposed Work and Orientation Centres, 250 educated unemployed, matriculates, undergraduates and graduates and registered with employment exchanges will undergo an orientation course for about six months. They will also be paid a stipend. The

Centres will give vocational counselling, manual work and some theoretical and practical instruction in the occupations selected with due regard to the aptitudes of the participants. The scheme will not guarantee subsequent placement in life, though some may get placed in positions in which shortages are felt. The instruction and orientation given, however, will be directed to giving them the necessary 'know how' to set up business either by themselves as entrepreneurs or in cooperatives.

### *Popularisation of Scientific Discoveries*

The Council of Scientific and Industrial Research has set up an eleven-member Committee to devise methods for popularising discoveries of science and creating science-mindedness in the country. These methods, besides informing the public in regard to the research organised under Government auspices, will help to enlighten them about the impact the scientific discoveries have on their daily life. The Committee will first make a survey of the work done by various organisations, including Government departments before drawing up a programme of action. A sum of Rs. 5 lakhs has been provided in the Second Five Year Plan for the purpose. The Committee has as its chairman Shri K.D. Malaviya, Union Minister for Natural Resources.

### *Development of Inland Water Transport*

The Government of India has set up a Committee under the chairmanship of Shri B.K. Gokhale, I.C.S. (Retd). Chairman, Tungabhadra Board, to examine the part played by inland water transport in the national transport system and to make recommendations regarding its future development. It will advise on measures for the increased utilisation of inland water transport; examine the prospects of increasing and extending the river and canal services; and suggest steps to be taken to achieve effective co-ordination between the railways and inland water-ways, including financial participation, appropriate allocation of traffic as between the two modes of transport and arrangements for through-booking.

It will also consider the organisation of an efficient country boat service on a co-operative basis, and suggest whether any special organisation is necessary to execute the schemes and how they should be financed.

### *Steps to Improve Speed and Quality of Performance*

The Organisation and Methods Committee, consisting of all Administrative Secretaries to Government, which was set up by the Punjab Government in 1955 under the chairmanship of the Chief Secretary to Government has recently taken the following decisions : (1) Every Administrative Secretary should earmark an officer under him for Organisation and Methods work in his Department, and in order to review the working of the Department he should hold a meeting once a month attended besides himself, by the Deputy Secretaries, Under Secretaries, Assistant Secretaries, Superintendents stationed at Chandigarh and one or two selected Assistants. These monthly meetings are intended to ensure a continued assessment of defects in speed and quality of performance and the study of proposals for improvements. The Organisations and Methods Committee should meet once in three months to consider common problems facing all Administrative

Secretaries; (2) The various branches in the Secretariat should be reorganised to enable the Superintendent-Incharge to exercise more effective control; (3) The Superintendents and Assistants should be delegated more powers to dispose of unimportant cases; and (4) Work in the Finance Department should be rationalised to ensure speed and efficiency.

#### *Checking with Anti-Corruption Department Prior to Sanction of Pensions*

The Government of **Punjab** has directed the administrative departments to consult the Anti-Corruption Department and obtain its clearance certificate before sanctioning pensions to retired officers. According to the present procedure, the necessary sanction is issued by the Administrative departments on the basis of the report and certificate by the Accountant General, Punjab, and the record of service. The Government has now felt that consultation with the Anti-Corruption Department, before finalising pension cases of gazetted officers, is also necessary.

#### *Benevolent Fund for Non-gazetted Police Personnel in Punjab*

In the interest of the general contentment of the non-gazetted ranks of the Police Force, the Government of **Madras** has decided to set up a Benevolent Fund. The objects of this Fund are : to provide the non-gazetted personnel of the Force and their families with amenities such as reading rooms, night schools, community radio sets, play grounds for children, separate wards in hospitals for policemen suffering from T.B.; scholarships for the education of their children in deserving cases; monetary help to widows and dependents of the non-gazetted ranks; and financial aid in exceptional cases, such as prolonged illness, serious injuries requiring prolonged treatment.

The membership of this Fund will be voluntary, and the management of the Fund shall vest in a Central Committee which will, for the present, consist of the Inspector General of Police, who will be the President, the Assistant Inspector of Police, a Head Constable and a Constable. The resources of the Fund will be augmented by an annual Government grant equal to the amount realised by subscription from among the members of the Fund, subject to a maximum of Rs. 50,000/- per annum.

#### *Madras District Collectors' Powers (Delegation) Bill, 1956*

The President has given his assent to the **Madras District Collectors' Powers (Delegation) Bill, 1956.** The Bill empowers the State Government, by notification in respect of each State enactment, to authorise the District Collector to delegate to his Personal Assistant, either in whole or in part, any of the functions devolved on him by that law. Provision has also been made for appeals and revisions in respect of orders passed by Personal Assistant under the powers delegated to them.

#### *A Youth Employment Service for Bombay State*

In order to deal with the young and inexperienced school-leaving students as a special group of employment seekers and guide them in the choice of occupation and of training, the Government of **Bombay** proposes

this year to start Youth Employment Sections at the Regional Employment Exchange, Bombay, and the Employment Exchange, Nagpur. Arrangements for training the Officers who will be manning the Youth Employment Section at the pilot Exchanges are under way.

#### *Extension of Merit System in Andhra Pradesh*

The Government of **Andhra Pradesh** has decided that the system of recruitment to the ministerial posts through the Public Service Commission followed in the former Andhra State shall also apply to all areas added to it by the recent reorganisation from the former Hyderabad State where recruitment to ministerial posts used to be made through the Employment Exchanges and District Selection Committees.

### FOREIGN

#### AUSTRALIA

##### *Diploma Course in Public Administration*

The Royal Melbourne Technical College, which hitherto offered a Certificate in Public Administration, has now decided to start a Diploma Course in Public Administration. The duration of the course will be 4 years, and classes will be held in the evening. The course is designed to provide general education in the principles and practice of Public Administration to government employees both in State and Commonwealth Public Services. The subjects for study include, among others, public administration, political institutions, elements of law, international relations, office practice, organisation and methods and public finance.

#### MALTA

##### *A Civil Service Pay Commission for Malta*

The Malta Government has appointed a Civil Service Commission composed of three U.K. experts, to undertake a comprehensive study of the pay and conditions of service of non-industrial staff in the Malta Civil Service and to submit recommendations for improvements. The Chairman of the Commission is Sir Arton Wilson, former Permanent Secretary of the U.K. Ministry of Pensions.

Out of the total number of 15,650 Government employees in Malta, only 6,907 are organised. A good 4,500 of these are drawn from the 8,600-strong non-industrial element in the Government service.

#### UNITED NATIONS

##### *A Senior Consultant in Public Administration for the T.A.A.*

Mr. Herbert Emmerich, till recently Director of the Public Administration Clearing House (now dissolved), has been appointed a senior consultant in Public Administration to the Technical Assistance Administration of the United Nations. Mr. Emmerich has served in the U.S. Government in various capacities and has wide administrative experience. In 1936-37 he was a staff member of the President's Committee on Administrative Management. For the past two years he has also been a consultant to the Office of Defence Mobilization in Washington, D.C.

UNITED KINGDOM

*Standing Advisory Committee on Higher Grades*

In accordance with the recommendation made by the Royal Commission on the Civil Service, the British Government has appointed a Standing Advisory Committee to review the remuneration of the Higher Civil Service. The Advisory Committee will decide whether the pay supplement which was granted to the middle and lower grades of the Service with effect from 1st April, 1956, should be extended to the Higher Civil Service.

UNITED STATES

*Closure of the Public Administration Clearing House*

The Public Administration Clearing House, which had fostered the growth of research and exchange of information in public administration since 1930, was dissolved with effect from December 31. The work of the PACH has been taken over by the Public Administration Service which is also housed, along with 13 other professional organisations, in the same building at "1313" East 60th Street, Chicago. Public Administration Clearing House, founded in 1930, devoted its initial efforts to the formation of the "1313" center, persuading appropriate organizations to make it their home, and establishing associations in fields where none existed. The central operations of PACH were financed with grants from the Spelman Fund of New York which dissolved in 1948 after making final grants. PACH was not endowed, and when its long-term grants expired, its Board concluded that its developmental phase was completed and decided to transfer management of "1313" to the organizations headquartered there. The first Director of PACH was Mr. Louis Brownlow; and Mr. Herbert Emmerich has been Director from 1945 onwards.

In addition to duties as general manager for "1313", the Public Administration Service will continue to carry out its growing programme of service to governmental agencies in surveys, installations, research, and publications.

*Personnel Management Review Programme*

The U.S. Department of Labor has recently inaugurated a personnel management review programme. Under this programme, there will be 3-man panels who will have the task of reviewing the work of each employee and of selecting persons for promotion, transfer or special assignment.

*Award for Distinguished Service*

The U.S. Civil Service Commissioners have established an award to bestow their personal recognition on exceptionally noteworthy service by Commission employees. The new award consists of a gold medal, five hundred dollars, and a citation signed by the three Commissioners. It is to be the highest honour the Commission can give to an employee and will be awarded only in the exceptional cases when the Commissioner's appreciation cannot be adequately expressed through the usual incentive awards.

## INSTITUTE NEWS

### *I. I.I.P.A. Essay Competition 1957*

With a view to encouraging original and significant contributions to the study of public administration in all its aspects, especially in the Indian context, the Institute has announced an Annual Essay Competition. The essay adjudged best will carry a prize of Rs. 1,000. A second prize of Rs. 500 may be awarded for the second best contribution. The closing date for this year's essay competition is December 31. Among the subjects suggested as suitable for treatment are : (a) Present-day Administrative Practices; (b) Problems in Public Administration; (c) Comparative Studies in Public Administration; (d) Historical Aspects of Public Administration. The essay must be written in English and should be approximately 10,000 words in length. It must be typed on one side of the paper only and submitted under a *nom de plume*. The full name and address of the competitor should be given on a separate sheet of paper and enclosed in a sealed envelope bearing the *nom de plume* on the outside. In judging the essay, the Judges will consider both its substance and suitability for publication. The awards will be given at the fourth Annual Meeting of the Institute to be held in April 1958.

### *II. Seminar on 'Recruitment and Training for Public Services'*

A Seminar on 'Recruitment and Training for Public Services' was inaugurated at the Institute's premises on March 3 by Shri V.T. Krishnamachari, Chairman of the Executive Council of the Institute. About 50 delegates from the Union and State Governments, Public Service Commissions, and the Universities, participated. The papers discussed at the Seminar will be found at pp. 152-163 of this issue. A fuller report giving a summary of the discussion is under preparation. This will form the basis of further discussion of the same subject at the Annual Conference of members of the Institute proposed to be held on the 6th and 7th April 1957 in conjunction with the Annual General Meeting.

### *III. Refresher-Seminar on "Principles and Problems of Personnel Administration in India"*

In association with the O & M Division of the Cabinet Secretariat of the Government of India, a refresher-seminar on "Principles and Problems of Personnel Administration in India" has been organised by the Institute. The course, which began on March 19, is being attended by 32 officers of the Government of India of the rank of Under Secretaries who are actually engaged in establishment work. It will consist of 12 two-hour sessions, twice a week. It will be followed by similar refresher-seminars in the subject for other groups of officers.

### *IV. Lectures*

Prof. W.F. Ogburn, Distinguished Service Professor (Emeritus) of Sociology, Chicago University, gave a talk on "Planning and Social Trends" on the 22nd March.

Prof. Edward S. Mason, Professor of Economics and Dean of the Graduate School of Public Administration, Harvard University, addressed a high-level selected gathering of 15 persons on 'Problems of Economic Planning' on March 26 at the Institute's premises.

*V. Library and Information Service*

Shri J. M. Kanitkar, Librarian and Reference Officer, has returned from his five month's study tour of the United States under the India Wheat Loan Educational Exchange Programme. Shri Kanitkar stayed for 3 weeks at the Joint Reference Library, Public Administration Service, Chicago, and visited several important public administration libraries and institutions.

An "Abstracting Service" will be set up shortly to make available to members digests of important articles published in India and foreign periodicals.



## DIGEST OF REPORTS

**ESTIMATES COMMITTEE 40th Report (Ministry of Community Development (C.P.A.) Part II]** *New Delhi, Lok Sabha Secretariat. v. 97p.*

The main recommendations of the Committee briefly are as follows :

### (a) Recruitment, Training & Promotion

1. The Community Projects Administration should bring out a pamphlet giving the State-wise requirements of the different categories of staff, their minimum qualifications, the mode of recruitment, the period and nature of training and the prospects of their future promotions. This pamphlet should be liberally circulated in schools and universities.

2. The minimum qualification of matriculation prescribed for the Village Level Worker may be relaxed, and the recruits should preferably belong to rural areas, and their headquarters should be in villages.

3. Training centres for the Village Level Workers and other categories of staff should be located in villages and advisory committees, consisting of officials and non-officials, should be formed for each centre.

4. Greater care is necessary in selecting right type of personnel specially for the post of B.D.O. who is the key man in the programme at the Block Level.

5. The training programme of the personnel required for Community Development programmes should include a working knowledge of the country's Five Year Plan and the development of a living faith in its objectives.

6. A Central Research Institute on Community Development may be established to solve the various problems which affect the lives of millions of people in the villages and later on five institutes, one in each zone, may be established. A conference of all Development Commissioners should be called at an early date for the purpose of ascertaining the detailed requirements of trained personnel in various trades and with a view to ensuring that the recruitment and training programmes during the Second Plan will be commensurate with the requirements.

7. The avenues of promotion of different categories of staff employed in the Community Development work should be fixed and made known to the staff. A percentage of higher posts may be earmarked for the Village Level Workers.

### (b) Seminars and Conferences

1. The States, which at present do not hold seminars of non-official members of the Project/Block Advisory Committees should follow the

example set by others in the matter. The non-officials, specially the members of the Project/Block Advisory Committees should be deputed along with officials on study tours in India, as it will increase contact of officials and non-officials and encourage non-officials to take more interest in the programme.

2. The study tours in foreign countries should be undertaken only when it is assured that there is something worth studying in those countries which would be helpful in improving the existing development programme in India and the personnel should also include selected field staff.

3. The study circles should be constituted at the Block level and in village level workers' circles, and officers of all levels should be encouraged to take active part in the meeting which should be held at least once a month.

### **(c) People's Participation**

1. An Advisory Committee should be formed and associated with the planning and progress of Community Development Programme at the State level. The Committee should consist both of officials and non-officials and have statutory obligations to meet and transact business entrusted to it.

2. The possibility of establishing a proper and satisfactory local-self governing body at the Block level should be explored as there is nothing at present of that nature in between the village Panchayats on the one hand and the State Governments on the other.

3. The Gram Panchayats should be brought more actively into the picture in regard to both planning and execution of the Community Development Programme. The village level workers and the various subject matter specialists (*i.e.* the executive officers) should hold at least one formal discussion meeting every three months with the Panchayat.

4. The local authorities should render technical advice and guidance to non-official organisations which are engaged in the promotion of village industries and in constructive activities, such as training in basic education, developing children's gardens, arrangements for bhajans, music, dance, etc.

5. The Ministry of Community Development should examine jointly with the Education Ministry the feasibility of making it compulsory for a college student to spend at least one month in a village camp before he becomes eligible for a University degree. These village camps should be properly planned and organised to enable the participating students to get a first-hand knowledge of the Community Development activities, and also to make some useful contribution thereto.

6. The country's Five Year Plan should be made one of the compulsory subjects for study by all college students.

### **(d) Administrative Co-ordination**

1. A co-ordinated scheme should be formulated, through an expert body consisting of both officials, including some of the eminent educationists

and experts in psychology and sociology to suggest the specific items of Community Development Programme which can be usefully assigned to the Village Teachers.

2. The Programme Evaluation Organisation should make test checks to see whether the instructions issued by the C.P.A. as to what should be considered as fields of people's participation and how the same should be recorded, are being properly understood and followed.

3. A strong Action Committee may be formed at the Centre under the Ministry of Community Development with the representatives of various Ministries concerned to co-ordinate the activities of different Ministries and to review the progress in rural areas periodically so that no time is lost in protracted negotiations and there is no overlapping of functions and duplication of development activities. Special efforts should be made to see that delegation of powers to the required extent is completed in all the states with the least possible delay.

4. The role of the Collector and the B.D.O. in the development programme should be clearly laid down to avoid any misunderstanding and to achieve full co-operation of other technical officers in the programme.

5. The experiment of combining the regulatory and developmental functions in the same functionary beyond the Sub-divisional level being tried out in Bombay State might not prove satisfactory in the pre-intensive stage, but it might be given a trial on a limited scale, in the post-intensive blocks. If the results are encouraging, it may be extended to other post-intensive blocks.

**U.K. COMMITTEE OF ENQUIRY ON THE REHABILITATION, TRAINING AND RESETTLEMENT OF DISABLED PERSONS. REPORT.** *London, H.M.S.O. 1956. v. 126p., 5s. 6d. Cmd. 9883*

The Committee was appointed in March 1953, under the chairmanship of The Rt. Hon. Lord Piercy, jointly by the Minister of Labour and National Service, the Minister of Health and Secretary of State for Scotland, in order "to review in all its aspects the existing provision for the rehabilitation, training and resettlement of disabled persons, full regard being had to the need for the utmost economy in the Government's contribution, and to make recommendations."

The report of the Committee which was presented to Parliament in November 1956, contains the following major recommendations of administrative interest :—

**(a) Hospital Services**

(1) There is a shortage of almoners and psychiatric social workers. They should not be employed on duties which can be discharged by others, and there may be room for the employment of less highly qualified assistants.

(2) Hospital boards should review and reorganise their present arrangements for the provision of physiotherapy so as to secure a purposeful graduated programme of activity designed to restore full function and to reorient the patient's outlook from that of an invalid to that of a responsible worker. The development of additional facilities, whether in day or residential centres, should take place as the need is revealed by hospital boards in their reorganisation and redeployment of existing resources in staff and in accommodation both for inpatients and outpatients at the convalescent stage.

(3) Regional hospital boards and boards of governors of teaching hospitals should review their present arrangements for resettlement clinics and should take steps to ensure that each major hospital sets up a clinic, meeting regularly to deal with cases referred by hospitals, general practitioners or others, in an area of convenient size surrounding the hospital.

(4) There is among general practitioners a lack of sufficient knowledge both of the facilities, for the rehabilitation and resettlement of the disabled, available to them and of the use which can be made of these, so that there is a need for the further education of the profession in this respect. Various measures to benefit general practitioners could be taken—in particular :—(a) visits to industrial rehabilitation units and vocational training centres, (b) meetings with disablement resettlement officers, (c) the inclusion of rehabilitation in the subjects studied in refresher courses provided under the National Health Service, (d) provision of information in the handbook issued by the Ministry of Health, and (e) provision in each area of a short leaflet setting out the facilities, accommodation and staff available for patients with disabilities. The Health and Education Departments, the Ministry of Labour and National Service, the Ministry of Pensions and National Insurance and the National Assistance Board should take all such steps as are necessary to provide the profession with the information it needs.

#### **(b) Industrial Rehabilitation**

(1) The larger share of what can be spared from the national resources for capital development for rehabilitation in the near future should be on the hospital side, but that some important existing industrial areas without industrial rehabilitation units should be supplied with them, particularly where this can be done relatively inexpensively, e.g. by the adaptation and equipment of existing premises. Industrial rehabilitation units should be ready to admit the rehabilitee at as early a stage as possible.

(2) The regional hospital boards should provide specialist services for those attending industrial rehabilitation units. This should be done wherever possible by arranging for a particular hospital to be linked with the industrial unit concerned.

(3) All new developments for industrial rehabilitation units for hospital rehabilitation centres should be planned with the facilities and needs of the other services in mind.

**(c) Welfare Services**

(1) Local authorities should be grant-aided by the Exchequer in their expenditure on services provided by them under Section 29 of the National Assistance Act. Any such grant should be available without distinction between the type of disabled person or of services concerned, but the rate of grant should need to be calculated having regard to the extent to which services have already been provided in some fields.

(2) In order to provide for close co-operation between the local welfare authorities and the hospitals, a suitable officer might be nominated by the local authorities to visit the hospitals and attend case conferences designed to assess the welfare needs of particular patients.

(3) Local authorities should assist permanently disabled persons living at home by providing them with necessary personal aids and that structural adaptations in the home now carried out by some local authorities, should be extended to all areas.

(4) The departments should make a study of ways and means of helping the disabled in the use of public transport.

**(c) The Disabled Persons Register**

(1) Since assessment for acceptability for work will often turn on medical evidence, specialist medical opinion should be available to reinforce or advise disablement resettlement officers and Disablement Advisory Committee Panels.

(2) The regulations governing registration should be amended so as to enable patients of hospitals or institutions who are able to engage to employment although still retained as patients in the hospital to be registered as disabled persons.

(3) The qualifying period for registration should be that the disability should be expected to last for a minimum period of one year in place of the present period of six months. A maximum period for registration should remain but it might be longer than the present period of five years. The regulations dealing with non-British subjects should be revised so as to provide that the benefits of registration are extended to all those who are in this country on a work permit without reference to any residential qualification, provided that the alien satisfies the normal eligibility conditions. The regulations should be amended to make provision for the voluntary removal of a disabled person's name from the register on receipt of a written request from him.

(4) The quota scheme has been of assistance in widening the opportunities of employment and in giving a measure of security, but in present circumstances its main value lies in its educational importance in demonstrating the wide range of occupations which can be undertaken successfully by disabled persons.

(5) The present method of appointment to the post of disablement resettlement officer is right. It is not necessary that disablement resettlement officers should be recruited from the ranks of social workers. The Ministry of Labour should take steps to secure that its methods of selection are such as to ensure that in all disablement resettlement officer appointments the fullest consideration should be given to the officer's suitability and inclination for this work.

(6) The disablement resettlement officers should deal with all the disabled persons within a specified area whatever their disabilities and they should continue to co-operate with voluntary organisations, hospitals, local authorities and doctors in that area.

### **(c) Sheltered Employment**

(1) Sheltered employment is only second best to competitive employment, so that as many persons as possible should be encouraged to graduate from sheltered workshops to work under ordinary conditions. If sheltered employment is to be a success, the beneficiaries should be those who are willing to undertake the work provided and able to make a significant contribution to production.

(2) The powers of local authorities to provide sheltered employment, whether in workshops or in the home, whether for the blind or the sighted and whether under the National Assistance Act or the National Health Service Act should be transferred to the Disabled Persons (Employment) Act in so far as these powers relate to persons who can be regarded as being covered by Section 15 of that Act and are, therefore, able to engage in remunerative employment.

(3) The provision of work as defined in Section 29 of the National Assistance Act, in respect of the blind, should continue to be a duty imposed upon local authorities, but should be carried out under the powers to be given to them by the Disabled Persons (Employment) Act. The present system of augmentation of the wages of blind persons is not entirely satisfactory. It would be preferable to have a payment system which depended to some extent on incentive payment and had more regard to the value of the work done.

(4) There is need for more occupational homework for the home-bound which, while providing some financial return is chiefly beneficial for the mental and physical stimulus which results from engaging in a useful occupation. It is particularly desirable to improve the opportunities for disabled homeworkers to make outside social contacts.

(5) Local authorities should be encouraged to exercise their powers under Section 29 of the National Assistance Act to provide occupational homework as widely as possible.

### **(f) The Young Disabled**

(1) Local education authorities should ensure that hospital authorities know what facilities can be provided for children in hospitals. Hospital

authorities should arrange to bring to the notice of local education authorities the particulars of children in hospitals for whom educational arrangements should be made. Local education authorities should make periodical inquiries of those hospitals likely to have young patients requiring education so as to ensure that the education of long-term child patients is not overlooked.

(2) For disabled young persons, placing alone is not sufficient. The youth employment officer should undertake a systematic and meticulous follow-up of all placings of disabled young persons so that as far as possible he can ensure that they are in suitable employment and do not drift to unsuitable work. The aim in view is likely to be achieved more satisfactorily if the attention of schools, parents and others concerned is drawn to the importance of giving adequate vocational preparation to disabled young persons rather than by compulsory use of the youth Employment Service. It is also important that the youth employment officer should have close contact with the welfare department of the local authority, so that young persons in need of welfare services can easily be referred for necessary assistance.

(3) The Ministry of Labour should assume full responsibility for ensuring that the placement of the blind is put on a satisfactory footing and should itself normally provide a placing service, thus relieving local authorities of the responsibility at present assigned to them. Local authorities and voluntary organisations at present carrying out the work satisfactorily should continue to do so if they wish, at any rate for the time being.

(4) Hospital authorities should approach the education authority with a view to introducing, whenever possible, education facilities of a kind suitable for tuberculous patients. In conjunction with chest clinics, the Ministry of Labour should inquire from time to time to ascertain what facilities might be introduced for the part-time training of tuberculous patients. More hostels of this kind for tuberculous persons whose home circumstances are unfavourable or for whom suitable employment cannot be found near their homes, should be established where they are found to be necessary. On the basis of registrations at chest clinics, inquiries should be made to ascertain how far there are appreciable numbers of ex-tuberculous patients remaining unemployed who, given the proper measures of rehabilitation, might once again resume work.

(5) Hospitals and the Ministry of Labour should consider the possibility of a wider use of arrangements whereby suitable patients before discharge from hospital are given courses at industrial rehabilitation units.

(6) In developing the mental and mental-defective hospital services hospital authorities should pay particular attention to the possibility of providing accommodation in annexes for patients with a residual instability who are employable. Deteriorated mental patients and low grade mental defectives need to remain as in-patients in mental or mental deficiency hospitals, but some of them are capable of training and occupation in

hospital workshops. Simple factory work might be provided for them by arrangement with local industry.

**(g) Administrative Arrangements**

(1) To secure the most efficient operation of these services, sensitive contact and willing co-operation is necessary between the various agencies and departments concerned, both at the centre and at the local level. Similarly, local coherence in the service can best be achieved by regular informal meetings between the local workers. To bring this about some particular initiative is needed which may come either from an individual, a voluntary association, a government department or a local authority. In the last resort, the local authority should take it upon itself to give the encouragement and the opportunity for such meetings.

(2) The question of overlapping and duplication might well be kept under regular review by the Standing Committee on the Rehabilitation and Resettlement of Disabled Persons. The Committee may produce further surveys on rehabilitation at regular intervals on the lines of their reports already issued.



## BOOK REVIEWS

**THE MAKING OF AN ADMINISTRATOR ;** By **EDWARD BRIDGES**, etc. Ed. **A. DUNSIRE**. Manchester, University Press, 1956. xv, 125p. 10s. 6d. (*Published on behalf of the Royal Institute of Public Administration—South West of England Regional Group*).

The volume "The Making of an Administrator" should make a wide appeal to administrators in India and to that circle of people who are interested in administrative problems. The five lectures included in this volume were delivered at Exeter as the 1954 series of Winter lectures organised by the South West of England Regional Group of the Royal Institute of Public Administration in conjunction with the sub-department of public administration of the University of Exeter. The object was to commemorate the centenary of the Northcote-Trevelyan Report on the organisation of the civil service.

The lectures were given by Sir Edward Bridges (now Lord Bridges), Permanent Secretary, H.M. Treasury, Mr. D.K. Clarke, Director of Research, Administrative Staff College, Henley, Lt. Col. Urwick, Sir Harold Banwell, Secretary, Association of Municipal Corporations, and Sir Henry Self, Deputy Chairman (Administration), Central Electricity Authority. The subjects chosen by the speakers respectively were "Administration : what is it? and how can it be learnt?"; "Educating the Administrator"; "Management and the Administrator"; "The Administrator in Local Government"; and "The Responsibility of the Administrator". The speakers, in dealing with their subjects, had a fairly free hand, and as a reading of these lectures will make it apparent, there has been a certain amount of overlap. The volume closes with a useful chapter headed "Comment" by Mr. A. Dunsire, Lecturer in Public Administration, University of Exeter, who has also provided an "Introduction".

The Civil Service in the U.K., in the first half of 19th century and earlier, depended a good deal on political patronage. Towards the end of 19th century, however, the patronage exercised by Government in filling the Civil Service with its nominees had come to a close. Nevertheless the Civil Service continued to be inefficient due to the appointment of unsuitable men, the appointment and retention of the physically unfit who often absented themselves for long periods from work, the mixing up of purely clerical jobs and those calling for genuine administrative ability, the wastage resulting from employment of good men on purely routine work such as copying, promotions based on favouritism, and discouragement of initiative caused by the practice of bringing in "outside" men to fill the more important vacancies. As a result of implementing the reforms recommended by the Northcote-Trevelyan Report, these defects were removed and an inefficient civil service was replaced by one which could be described as a model in integrity and efficiency.

Broadly speaking, the civil service in India has been based on that model with, of course, certain striking differences. The civil service model,

again, has been copied, with marked differences, by other private and public large scale organisations. Some main questions require a good deal of thinking in considering civil service reforms. On what does the success of the administrator depend? Is it necessary that he should acquire a certain type of education, should have a certain social background and a particular kind of upbringing? Is it possible to multiply the number of successful administrators by devising some method of training and providing it on a large scale? The general conclusion one comes to after reading Sir Edward Bridges' lecture is that administrative skill is essentially empirical and acquired more through practice than by training as such, whether theoretical or otherwise. Mr. Clarke's view is that it is possible to acquire this skill and this process can be speeded up by well-defined courses at proper stages in the man's career. Col. Urwick makes out that administration and management could be taught, and even a practising administrator could profit from formal instruction. Sir Harold Banwell confines his thesis to Local Government. According to him, there is no specific course of instruction in the art of administration. The basis of the civil servant's entry into his profession is really a good education and promotion are made within the service with reference to practical experience of the incumbents. The local government officer, however, much more than civil servant, performs professional duties on a functional basis, e.g., in the Treasury and Accountants Department, in the Engineering and Surveyor's Department, in the Health Department and so on. He concludes that, by and large, in the civil service, in local government and in industry, the right man gets the right place. He thus would seem to attach greater importance to a person learning by practical experience and retaining a broad and receptive mind. Sir Henry Self attaches great importance to administrative environment and traditions in producing effective administrators and stresses the need for leadership and for creating a desirable environment and building traditions of good administrative behaviour.

While it is clear that there are certain accepted desiderata as regards a good administrator, it is also clear that their role, training and work must differ from country to country. It is, therefore, essential, while reading the volume under review to keep in mind the special features of the progress of our country after independence, our special developmental needs. The vast increase in developmental activities in the country as well the tremendous responsibility taken on by Government in various fields require a considerable strengthening of the administration in India, both in numbers and in quality. In this light, questions like "Could administrative skill be taught or is it a natural growth?" would appear to be somewhat beside the mark. The need for increasing the number of administrators is so great that we must go in for training schemes for the administrators of various types and they must be multiplied rapidly, at the same time ensuring that the quality does not suffer. All possible methods of training must be utilised, e.g., learning on-the-job whether in the field or at the desk; formal instruction by lecture and group discussions, specialised courses in fields like personnel management and financial administration, conferences and seminars for exchange of ideas and information, and successive placement in different jobs of varying nature.

While it is possible to increase by these methods the number of administrators required, no amount of training can endow a trainee with

that flair for administration which must be inborn. Though this flair cannot be artificially acquired, it is possible to stimulate it by means of a "personal handling" of the young administrator.

In British days it was usual for the newly joined civilian to go and live with the Collector for a few days at the beginning of his service, to work with the senior Service Officer in camp during the touring season, and take part in the revenue settlement operations under the guidance of a senior settlement officer; the youngster thus learnt the art of administration by seeing how it was actually practised. These personal contacts also made it possible, provided the basic material was there, to learn and develop administrative leadership. It is only such trained leaders who can set the tone of and improve administration wherever they are working, whether in the District in charge of field developmental work, in a Secretariat Department, in a private expanding business organisation, or in a new "public sector" undertaking.

—Y.N. Sukthankar

**DELEGATION IN LOCAL GOVERNMENT ;** By PETER G. RICHARDS. London, Allen & Unwin Ltd., 1956. 184p. 20s.

This is a study of the technique of delegation in local self-government in England with special reference to delegation by County Councils to District Councils.

The general pattern of local government in England is the two-tier pattern in which the County Council performs certain major functions, such as education, planning and fire prevention, while the District Councils are responsible for a smaller number of minor functions, including housing and rent collection. Delegation in local government was first introduced in 1888 when the Local Government Act of that year allowed County Councils to delegate their power either to their own committees (internal delegation) or to District Councils. The 1894 Act gave counties a general power to use District Councils as their agents. In the 19th century, political opinion was generally against the growth of a national bureaucracy and of all powerful central departments, and an attempt was made to devolve on the Counties the Central Government's powers to control local authorities. But this move received a set-back owing to objections by District Councils.

In recent years, the British Parliament has been responsive to the demand to make the local government local, although it now insists on a greater degree of departmental control. Three recent Acts of Parliament—the Education Act of 1944, the Town & Country Planning Act of 1947 and the Civil Defence Act of 1948—have enabled County Councils to delegate certain functions to District Councils and in these Acts Mr. Richards reads a tendency to concentrate local administration in the hands of County Councils at the expense of District Councils. It is argued that the smaller authorities could not perform these duties in a satisfactory manner and therefore powers have been given initially to the counties and delegation has been used as a device for giving some compensation to districts for their reduced share of local government services, being thus a

compromise between the competing claims of County and District Councils to control local government.

A central authority has at its command a larger store of expertise, and, in the provision of services of a technical nature, is in a position to bring about both efficiency and economy which are the two prime objectives of any sound method of administration, and yet in matters of local government which concern a citizen in his daily life a certain measure of local democratic control is desirable. These desiderata are sought to be achieved by making the larger county council initially responsible for the provision of certain services with permission to delegate some functions to the District Councils or other *ad hoc* bodies on which District Councils are represented.

In the initial chapters the author makes a rapid survey of the present position of distribution of powers between various local authorities in England and the historical background. The legal implications of delegation, with reference to English Case Law, are examined and an attempt made to draw a distinction between delegation and agency. A 'delegate' has a measure of discretion and the delegating authority surrenders a measure of responsibility, the extent of both being determined by agreement between the parties. An 'agent', on the other hand, can only carry out the instructions of his principal; and the principal by employing an agent suffers no loss of control. The author confesses that it is difficult to define precisely the legal implications of the word 'delegation' and says that delegation, as at present practised, is no longer an administrative convenience but a compromise in terms of institutions aimed to reconcile conflicting pressure and desiderata.

The actual working of the delegation provisions in the three Acts is then examined in detail under the three heads of highways, education and civil defence. Technical and financial considerations in the case of highways are overwhelmingly in favour of centralisation, which permits use of improved engineering methods of equipment, makes possible placing of large orders for purchase of material at low prices and enables the larger body to employ specialists for different branches of highway construction, such as bridges, tunnels and hill roads. In the case of education, local sentiments have to be taken into account and the contradictory requirements of local interests and an integrated system of education are reconciled by delegating powers to divisional executives as well as excepted districts, such as non-county boroughs. Except for what the author describes as "minor friction which seems inseparable from the bureaucratic machine," these arrangements appear to work satisfactorily. Recent opinion is in favour of development plans covering wide areas, and the Town and Country Planning Act of 1947 transferred planning powers from District Councils to County Councils with permissive provisions for delegation.

The last chapter contains an excellent appraisal of the process of delegation from the point of view of administrative convenience and economy. Quoting from the second Report of the Local Man Power Committee the writer enumerates nine principles which should govern delegation in local government. These principles emphasise that certain services known as the welfare services cannot be administered successfully without

the local knowledge of individual circumstances and they are best administered on a local basis. The authority to which power is delegated must possess sufficient financial resources and adequate and competent staff. Expenditure must be made on estimates, which must not exceed without the prior consent of the County Council and once these estimates are approved no further expenditure sanction should be necessary. Delegation certainly increases costs, as it adds to the number of committees, paper work, travelling time and volume of negotiations. To the question whether delegation is worthwhile, the author replies that delegation combines local opinion and local knowledge with the resources which only a large area can provide, and the degree of success achieved by delegation arrangements is not a matter for precise evaluation.

In the ultimate analysis, the success of any administrative system depends upon the character of the personal relationships between the officials and non-officials who work within the system, and adequate importance has been given to the question of personal factor.

In the Indian system of local government, external delegation has not been resorted to on any considerable scale. District Boards, Municipal Boards, Notified Area Committees and Town Area Committees have generally been unrelated bodies enjoying independent jurisdiction within their own areas. The control is exercised by the government through the District Officer who also resolves conflicts arising between these bodies. It seems, however, necessary to devise a democratic pattern in which Panchayats, which will be the smallest units of local government, and Town Areas, and Notified Area Committees, Municipal Committees and District Boards will properly be fitted in. Mr. Richards' book which draws on extensive experience can be of much assistance in the planning of such a pattern. It should prove beneficial not only to students of local government administration but also to the practical administrator as well as members of Corporations, District Boards and Municipal Committees.

—A. D. Pandit

**REPORTS ON THE INDIAN GENERAL ELECTIONS 1951-52;**  
*Ed. by S.V. KOGEKAR & RICHARD L. CLARK. Bombay, Popular Book Depot. 1956. xvii, 322p. Rs. 12/8.*

The publication of this study of the first Indian general elections provides a timely contribution to an understanding of the elections of 1957. This volume was published under the auspices of the Indian Political Science Association and edited by S.V. Kogekar of Fergusson College, Poona, and Richard L. Clark of the University of California. The preparation of the study for publication was assisted by a small grant from the Institute of Pacific Relations in the United States.

The first general elections offered a unique opportunity to observe the working of the electoral process and the interplay of the political forces which were involved. The authors and editors have attempted to report analyse, interpret and evaluate some of the facts, processes, aspirations, and results involved in this initial demonstration of mass suffrage.

A committee of political scientists was organised to direct and co-ordinate the study, and certain persons were requested to observe and report on the elections in their respective states. Inevitably, the project suffered from major handicaps, including a limited period of time at the disposal of the reporters and lack of funds for essential secretarial and research assistance and travelling expenses. The state reporters carried out their assignments either with inadequate funds or none at all, undertaking the work as a spare time occupation. The central committee in charge of the study was not able to meet as a whole, or to maintain a central office. Under these circumstances, the final summary emerges as a much more comprehensive and impressive work than would have been anticipated. A large quantity of material was gathered together and, for the most part, meaningfully organised.

The main value of the study is the focussing of attention on certain significant factors in the Indian political situation. There is considerable material which was not covered in the two-volume official report of the Election Commission. In fact, there is material in this volume which has not been printed in any other publication. For most of the State reports the subject-matter includes the political activities and attitudes of the various parties, the steps taken to seek popular backing, the political alliances formed, and the propaganda devices employed.

Such laboriously collected data, as well as the interpretation of the data, is assuredly deserving of publication, not only for Indian readers but for social scientists and students of politics in foreign countries. The scholars of many other countries have shown a keen interest in the first Indian general elections, the largest yet held in the free world. There has been a dearth of realistic research data on political phenomena in India, and the publication of this report is a genuine contribution to the study of politics.

The volume includes three main categories of material. In the first place there are the edited versions of the unpublished state reports, abridged for reasons of space and re-arranged in order to maintain a certain uniformity of framework. Second, there are brief edited extracts from the published state reports, with particular emphasis on the most distinctive local features of the election process. Finally, there are brief informative notes on the elections in those states for which no reports were received. Such notes were compiled by the editors from contemporary data available to them.

The coverage shows considerable variation from state to state, and few states were left uncovered on account of the inability of the reporters to fulfil their commitments. The volume lacks uniformity in style, for obvious reasons. Some of the State reports, on the other hand, are written with deliberation and care and based upon well-organised research. The editors are to be commended for the way in which they have handled the immense task of processing the material and summarising the abundant research data. Although brought together under difficult circumstances, the study is a worthwhile contribution to the understanding of the Indian political scene. The volume is of particular value in providing understanding and interpretation of political factors which were present in the 1957 election as well as in the earlier one.

—Marguerite J. Fisher

**CIVIL SERVICE OR BUREAUCRACY?;** By E.N. GLADDEN,  
*London, Staples Press Limited, 1956, xiii 224p. 21s.*

Mr. Gladden's new book on the British Civil Service is concerned with the problem of adjusting the existing Civil Service to the needs of the contemporary Administrative State. But to discuss the problem he has to describe in detail the system as it exists against its historical background. This he does in Part I of the book, which he calls 'Inquest'. This is a very useful and up-to-date account of the Service, giving as it does the latest information on developments like training and the new salary scales. A number of tables and diagrams add to the value of the book in this respect.

The problem, or the 'Discussion' as he calls the second part, is put by him in this form. The Welfare State in England cannot function without a large administrative sector. Shall this be a responsible Civil Service, or an irresponsible bureaucracy? Recently the quality of entrants into the Civil Service has fallen, and though standards have been lowered and the competitive examination waived for certain posts, still the Service has not been sufficiently attractive for new entrants, even with the revised salary scales recommended by the Priestly Commission. And while recruits are thus becoming poorer in quality, the isolation of the Administrative Class (about 1,500, out of 400,000 non-industrial Civil Servants), continues.

Mr. Gladden is particularly critical of assimilating the official and non-official sectors of the community, for example, in respect of salary scales. But it is not clear how far the attitude is consistent with his other point of view that social assimilation is necessary between the two. Perhaps the explanation is to be found in terms of the degree of socialisation which exists in Britain; but the point does not appear to have been discussed in detail. And so, the book, like the author's earlier books, cannot but be said to be stronger on the descriptive side than on the critical or constructive one.

—V. K. N. Menon

## SELECTED GOVERNMENT PUBLICATIONS

The following are some of the more important government publications recently added to the Institute's Library.

### INDIA

#### FINANCE, MINISTRY OF.

[Budget papers for 1957-58 are listed below.]

Finance Minister's speech, 19th March, 1957. 6p.

Budget of the Central Government for 1957-58 (as laid before Parliament, 1957). 24p.

Explanatory memorandum on the budget of the Central Government for 1957-58 (as laid before the Parliament). iii, 459p.

Demands for grants for the expenditure of the Central Government (excluding railways), 1957-58. March 1957. 5v.

White Paper on budget, 1957-58. 31p.

Gives a brief account of economic conditions in the country during 1956 and describes the broad features of the revised estimates for 1956-57 and the budget estimates for 1957-58.

An Economic classification of the Central Government budget for 1957-58. March 1947. ii, 29p.

#### HOME AFFAIRS, MINISTRY OF.

The Central Civil Services (Classification, control and appeal) rules, 1957. (Gazette of India Extra-

ordinary, Pt. II—Sec. 3. No. 110, Feb. 28, 1957, p. 721-1035.)

#### LOK SABHA. Estimates Committee.

Fortieth report (1956-57) on Ministry of Community Development (Community Projects Administration). Part II. Dec. 1956. v, 97p.

Deals with certain specific subjects of all-India importance in connection with the community development programme—recruitment and training, conferences seminars and study tours, people's participation, administrative co-ordination, planning and research. Part I was published as 38th report of the Estimates Committee in Dec. 1956.

#### LOK SABHA. Estimates Committee.

Forty-fourth report (1956-57). Action taken by Government on the recommendations contained in the Fourth report [1950-51, on the Ministry of Works, Mines and Power] of the Estimates Committee. Dec. 1956. 118p.

Forty-seventh report (1956-57) on the Ministry of Transport [on the subject of] Lighthouses. Feb. 1957. 51p.

Forty-ninth report (1956-57). Action taken by Government on the recommendations contained in the Fifth



report [on the Central Water and Power Commission and Multipurpose River Valley Schemes, Mar. 5, 1952] of the Estimates Committee. Mar. 1957. iii, 87p.

Fiftieth report (1956-57). Action taken by Government on the recommendations contained in the Eighth report [on the Damodar Valley Corporation, May 21, 1954] of the Estimates Committee. Mar. 1957. iii, 28p.

LOK SABHA. Public Accounts Committee. Nineteenth report (1955-56) : Appropriation Accounts (Defence

Services), 1953-54. v. 1 : Report. Aug. 1956. iii, 126p.

Twentieth report, 1955-56. [Delhi Road Transport Authority (Bus Section)], July-August 1956.

v. 1. Report. vii, 63p.

v. 2. Evidence 127p.

Twenty-first report [Excess over Voted Grants and Charged Appropriations in the Appropriation Accounts (Civil), 1952-53.] Nov. 1956. i, 10p.

## STATES

### *BOMBAY*

POONA MUNICIPAL CORPORATION.

Administration report for the year 1955-56. 1956. Rs. 2/-

### *MADRAS*

INDUSTRIES, LABOUR AND COOPERATION, DEPARTMENT OF.

Administration report on the working of the Madras Shops and Establishments Act for the year 1955. 1956. 1, 4, 1p. Annas 4.

Report on the working of the Payment of Wages Act in the state of Madras for the year 1955. 1956. 31, 1p. Annas 10.

PROBATION DEPARTMENT [HOME]

Administration report of the Probation Department, Madras State, 1955. 1957. 24, 1p. Annas 10.

REVENUE DEPARTMENT.

Report on the administration of the Madras Plantations Agricultural Income-tax Act, 1955, for 1955-56. Dec. 27, 1956. 10p.

REVENUE, BOARD OF.

Board's report on the working of the Madras Estates Land Act, 1908, for Fasli 1365 [1955-56.] 3p.

### *RAJASTHAN*

ORGANISATION & METHODS SECTION.

Annual administration report for the year ending 31st March 1956. 15p.

### *UTTAR PRADESH*

HOME DEPARTMENT.

The Government Servants' Conduct Rules, 1956. 1956. 12p.

PLANNING DEPARTMENT.

Second Five-Year plan : a brief outline. Dec. 1956. 91p.

## FOREIGN

*YUGOSLAVIA*

## FEDERAL SOCIAL SECURITY INSTITUTE.

## Social Security in Yugoslavia (Series).

1. Law on health insurance of workers and employees. 1955, 42p.

2. Decree on the organization of Social insurance institutes. 1956. 18p.

3. Decree on children's allowances. 1956. 24p.

4. Social insurance of liberal professions. 1956. 17p.

## OUR CONTRIBUTORS

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**Prof. D.G. Karve:** M.A. (Bombay); veteran economist and philosopher-administrator; Chairman, Bombay Administrative Enquiry Committee, 1948; Executive Editor, Bombay District Gazetteers (Revision), 1948-52; Chairman, Madhya Bharat Co-operative Planning Committee, 1952; Director, Programme Evaluation Organisation, Planning Commission, 1952-55; Director, Indian Institute of Public Administration, 1954-55; Member, Panel of Economists and Panel of Land Reforms, Planning Commission. Author of "Public Administration in a Democracy."

**Shri K.S. Krishna Swami :** M.A.; B.L.; F.I.C.W.A.; Joined Indian Defence Accounts Service in 1930; Deputy Controller of Military Accounts, Lahore and Northern Command; Financial Adviser to the General Officers Commanding, Kohat and Waziristan Districts, N.W.F.P., 1931-39; Controller of Naval Accounts, Bombay, 1940-43; Controller of Army Factory Accounts, Calcutta, 1943-48; Deputy and later Joint Financial Adviser, Defence Finance 1949-54; Joint Secretary, Finance accredited to Food & Agriculture, Rehabilitation and Labour Ministries, 1954-55; Joint Secretary, special Reorganization Unit (Home and Finance 1955) Joint Secretary, Works, Housing and supply Ministry; Chairman, Hindustan Housing Factory from 1955 onwards.

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India, London, 1938-44; Offg. High Commissioner for India, London, 1941-42; Secretary to the Government of India, Ministry of Labour, 1946-50; Chairman of the Governing Body of the International Labour Organisation, 1948-49; Assistant Secretary-General, United Nations, 1950-54; Chairman, Air Transport Council, India, 1955—.

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# C O N T E N T S

	<i>Page</i>
The Role of Private Sector in Indian Economy	<i>H. M. Patel</i> 191
The U. S. Civil Service Commission	<i>D. G. Karve</i> 205
Organising a Re-organisation Unit	<i>K. K. Dass</i> 210
Social and Economic Implications of the Companies Act, 1956	<i>D. L. Mazumdar</i> 215
Vigyan Bhavan—A Study in Administrative Organisation	<i>K. S. Krishna Swami</i> 226
The Administrative Personnel in India	<i>P. Prabhakar Rao &amp; P. C. Suri</i> 233
Assessing Clerical Man-Power in Government Offices	<i>A. C. Banerjee</i> 246
Editorial Notes	253
News from India and Abroad	254
Institute News	260
Digest of Reports	
Punjab—Local Government (Urban) Enquiry Committee Report	262
Estimates Committee, 54th Report [Ministry of Defence—Ordnance Factories (Organisation and Finance)]	270
Estimates Committee, 55th Report [Ministry of Defence—Ordnance Factories (Staff Matters and Training)]	274
Efficiency and Economy in the Irrigation and Power Sector, Report of the Study Group	277
Uttar Pradesh—Report on Tahsils	286

*(Please turn over)*

## Book Reviews

<i>Reflections on International Administration</i> (A. Loveday)	<i>S. Lall</i>	290
<i>Anthropology in Administration</i> (H. G. Barnett)	<i>N. Datta-Majumder</i>	292
<i>Government Budgeting</i> (Jessee Burkhead)	<i>M. S. Ramayyar</i>	294
<i>Vitality in Administration</i> (Herbert Morrison, etc.)	<i>K. N. Butani</i>	296
Selected Government Publications		300

# THE INDIAN JOURNAL

## OF

### PUBLIC ADMINISTRATION

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Vol. III

July-September 1957

No. 3

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#### THE ROLE OF PRIVATE SECTOR IN INDIAN ECONOMY \*

*H.M. Patel*

**I**T is not often that a civil servant like myself has to stand before such a distinguished gathering of university teachers and students to speak on an important but controversial issue of public policy. Controversy, however, has so clouded the issues involved that it seemed to be desirable to take this opportunity you have offered to me to consider this matter afresh and as dispassionately as possible. In a way, I was also happy to be given an opportunity of getting away from the day-to-day preoccupations of official life in order to have a closer and comprehensive look at some of the larger issues of economic policy in the country.

Things in India have moved at breakneck speed since Independence in the economic as in other spheres of life. The brief but disastrous experiment with decontrol in 1947, the reimposition of controls in 1948, the devaluation of the rupee in 1949, the acute shortages of food-grains and essential raw materials in 1950 and 1951 at the time of the Korean boom, the formulation of the First Plan in 1952, the pre-occupations with deflation in 1953, the virtual elimination of controls in 1954-55 and the adoption of the Second Plan in 1956—these and other events of great consequence have followed each other in quick succession and have been interspersed by the adoption of important legislation covering land reforms, company law, development and regulation of industries, labour relations and a host of other things. In the meanwhile, important pronouncements about economic policy have been made by the adoption of the two Industrial Policy Resolutions—first in 1948 and then in 1956—as also by the adoption by Parliament of the socialist pattern of society as the objective of economic policy.

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\* Text of a speech delivered under the auspices of the Economic Department of the Rajputana University, Jaipur, on March 5.

It is not easy to see the sum-total of all these pronouncements and policies and measures; but it is important, nonetheless, to look at the totality of the measures adopted in the economic field, at the general pattern in which economic policy is being arranged, at the sense of direction which it is acquiring—and to assess whether it contains within itself the momentum to carry the Indian economy most speedily to progressively higher levels of efficiency and production.

It is for this reason that I have chosen as my subject such a large topic as the role of the private sector in Indian economy. Perhaps it would have been better to define the subject as the role of private initiative and enterprise in the Indian economy—for, what is worthwhile and indispensable in a democratic society is the initiative and enterprise of individual citizens rather than the form of organisation, private or public, through which it is mobilized.

It would be agreed on all sides that private enterprise and initiative have a valuable part to play in a democratic society; it would, I believe, be equally well agreed that in a poor country which is striving to make up a terrific leeway in economic progress against heavy odds there is need for State initiative, State direction and State regulation in the general interest. But can it be that in providing for the legitimate functions of the State in the economic sphere we have gone too far and created conditions in which private initiative and private enterprise cannot function effectively and in the best interests of the society? This is a question which needs to be raised and answered, not the least because it is one which has aroused a fair degree of controversy both in India and among our friends and well-wishers abroad.

Controversies about the respective roles of the public and the private sectors will, I fear, continue unabated for a very long time to come—at least as long as human passions and preconceptions refuse to yield to the verdict of facts. But, in speaking to a gathering of students and teachers, I am emboldened to attempt an answer—or rather, to draw attention to a few relevant facts and considerations in the hope that they would help you to make a judgment for yourself.

## II

What then is the role of the private sector in Indian economy? Let us begin by taking a look at the part that the private sector is playing at present in the totality of economic activity in the country. Most of you must be familiar with the estimates of national income put out, from time to time, by the Central Statistical Organisation. These



estimates bring out a remarkable fact, viz., that the share of the Government in the generation of the total national product in India is hardly of the order of 8 per cent of the total. As much as 92 per cent of the total incomes in the country are generated by the private sector.

In terms of the total expenditure in the country, the share of the Government is slightly higher—of the order of 9 per cent in 1953-54 or, say, roughly 10 per cent of the total now. All the expenditure of the Government, including the expenditure of Government-owned enterprises, comes to a bare one-tenth of the total—the rest is accounted for by the private sector.

Even by comparison with avowedly free enterprise countries, such as the United States of America, the share of the Government in total economic activity in India is among the lowest in the world. In the United States, for example, the total Government expenditure in 1955 amounted to some 76 billion dollars out of a total gross national product of 387 billion dollars—or some 20 per cent of the total. In other countries such as the United Kingdom or France, the share of the State in total economic activity is even higher.

The private sector in India thus clearly plays a much larger role relatively to the public sector than in most modern communities and it will be a long time before the role of the State in India approaches anywhere near the range and scope of its activities in most civilized communities. And this is hardly surprising when we recall that for generations under the British rule, the State confined its activities to the minimum requirements of law and order. Economic matters were left, by and large, to be governed by a policy of *laissez-faire*. But whatever the reason, it is, I think, important to bear in mind the broad fact I have just mentioned in any judgment about the proper balance between the private and the public sector in India.

There is another important fact which must also be borne in mind in judging the role of the private sector in India, viz. that by far the largest part of the private sector in India consists of small peasants and craftsmen, of small traders and professionals.

Much of the controversy about the role of the private sector in India centres round the role of the organised sector of manufacturing industries. But this sector—or what we might call the Private sector with a capital P—forms only a small part of the economy and it would be a mistake to assess the impact of our economic policy on private initiative and enterprise in India with reference solely to organised

industries which account only for about 8 per cent of the total production or incomes in the country. It is only proper, therefore, to emphasise a fact which tends to be overlooked, namely that a large part of the economic activity of the State in India is devoted to creation of conditions under which genuine enterprise and initiative may develop among the large majority of citizens in this country—among peasants and artisans of all kinds.

For generations, life in Indian villages has stood still. There has been very little improvement in the productivity of land and of the simple handicrafts which provide but a miserable pittance to millions of our fellow-citizens. Unemployment, under-employment and landless labourers have grown from decade to decade and there has been hardly any improvement in the standards of health and education in rural India. It is to the revitalisation of rural India that the bulk of the energy and resources of the State in recent years have been bent—and I submit that the development of initiative and enterprise among the bulk of our people would remain but a dream in the absence of State initiative and guidance in a variety of ways.

I do not wish to narrate to you all that the State is doing in the field of health, education, irrigation, agricultural extension, rural credit and co-operation, protection of and encouragement to small-scale industries and so on. But it is important to stress the fact that for the large majority of our citizens, the conditions essential to evoke in them a spirit of enterprise and initiative are being created for the first time in many generations by the active efforts of the State.

In this effort, the co-operation of the people is being sought and encouraged at every stage as is evidenced by the faith we have put in that remarkable movement for Community Development and National Extension. We are not preparing for any collectivist regime in our countryside but are endeavouring instead to build a class of independent peasants and craftsmen, reasonably secure against the depredations of both man and nature, with a hope for the future and a faith in themselves and in their endeavours. This large fact should not be forgotten in making any over-all assessment of economic policy in India in relation to the scope for private initiative and enterprise.

I hasten to add that I refer to the policy in regard to agriculture and small-scale industries not by way of any apology for the policy in regard to the organised private sector. My aim has only been to provide a proper perspective to this question of the role of the private sector in India. Nor is it my intention to suggest that policies in

regard to the organised sector of industry and commerce are any the less important than policies in other fields.

### III

It is, I think, generally agreed now that rapid industrialisation is vital to India, that in the years to come, the organised sector of industries must grow considerably, both absolutely and in relation to the rest of the economy. It is, therefore, of the utmost importance that the policies we adopt in this field now in the early years, are such as to provide for the fastest rate of industrialisation that the country can achieve.

There are, I think, four different questions that we need to ask in order to determine whether the present policy towards organised industries in India is unduly restrictive of private initiative and enterprise or not : (1) Is there genuine reason to apprehend arbitrary nationalisation as far as organised industries are concerned? (2) Is the scope for expansion of private industries unduly restricted? (3) Are there too many restrictions in the way of the day-to-day management of private industries? And finally, (4) is the State doing enough by way of positive assistance to encourage the growth of private industry?

I shall begin with the last of the questions I have just posed. The extent of Government support and assistance to organised private industry is, I am afraid, not fully appreciated in the country. Nor is it appreciated that so many of the so-called restraints on private industries are only devices for ensuring a balanced pattern of assistance to different sectors of private industry.

Take the question of industrial finance, for example. Apart from setting up a large number of financial institutions such as the State Finance Corporations, the Industrial Finance Corporation and the I.C.I.C.I. (Industrial Credit & Investment Corporation of India)—the State has not hesitated to advance money in appropriate cases directly to private industrial concerns as, for instance, to the Atul Chemical Products. The significance of the financial assistance rendered by the State can be seen from the fact that over the First Plan period, a sum of Rs. 44 crores was made available by the State to private organised industries in different ways—a sum which was, in fact, somewhat larger than the total amount realised by private industry from the capital market through new issues.

The estimate of State assistance to organised industry I have just quoted is of the Planning Commission. The Report of the World Bank Mission which visited India last year puts the total of State assistance to private industry over the First Plan period at a somewhat larger figure of Rs. 55 crores. The second Plan provides for an even larger sum of State assistance to private industry. And in the recent agreement signed with the United States for the purchase of surplus agricultural commodities we have explicitly provided that a part of the rupee proceeds of these purchases shall be utilised for assisting private industry. The sum to be so provided amounts to Rs. 26 crores.

Apart from assisting private industry from its own resources, Government has also used its good offices in obtaining loans for it from the World Bank. All such loans are guaranteed by the Government. We have also agreed to be a member of the newly-created International Finance Corporation which is an affiliate of the World Bank in the hope that this would facilitate a larger flow of external finance to private industry.

But perhaps the most substantial financial assistance given by the Government to private industry is in terms of a large number of tax-concessions which are given at present to industry for development purposes. Apart from the development rebate and the additional depreciation allowance and allowance for scientific research, all new manufacturing companies enjoy a tax holiday for five years, they being not subject to tax on profits upto six per cent of the capital employed. Dividends declared by such companies out of this exempted portion of income are also tax-free in the hands of share-holders, whether resident or non-resident. In several cases, dividends earned by a company on investments in other companies are tax-exempt.

I wonder if the sizeable investment undertaken by private industry in recent years out of their own internal resources would have been possible without the generous tax-rebates and tax-exemptions granted by the Government and I venture to think that not a small part of the internal resources of companies consists of the tax saved as a result of the concessions allowed by the Government for development.

Apart from financial assistance, private industry enjoys protection from foreign competition in many ways and enjoys the benefit of technical and other advice from Government financed institutions. Let us not forget that protection to Indian industry implies some cost to the society at large in the short-run. And it is only natural that,

in turn, society claims the right to demand that the protected units make as rapid a progress as possible. And this calls for a measure of careful planning by the Government. Very often, new industries can come into existence and develop only if they are allowed to import processed, or semi-processed components on a considerable scale; it becomes necessary, therefore, for the State to insist that more and more of the components would be produced in India as time goes on. Very often, it becomes necessary to limit the establishment of new units—in the interest of the units already established behind the walls of protection so that the latter may get on their feet quickly.

Some of the restraints, again, on one part of private industry have to be imposed in the interest of some other sector of private industry. A large part of the scrutiny exercised in the matter of licensing new units or additional capacity under the Industries (Development and Regulation) Act of 1951 is exercised in this spirit of safeguarding the interests of organised industry as a whole against the wastefulness of unregulated competition.

I do not wish to suggest that assistance in the promotion of industries is a one-way traffic—that all the assisting is done by the State to the private industry and that the latter has been a passive partner. Indeed, private industry itself has played a valuable part in helping in the formulation of the over-all plan of industrial development and in the preparation of blue-prints for some of the industrial enterprises in the public sector. Many of the distinguished industrialists in the country and many technical experts associated with private industry have sat in committees and meetings and have laboured hard in the formulation of industrial projects and policies of concern to both the public and the private sector.

When the Prime Minister says that there is no private sector and no public sector but only one national sector, it is surely to this interchange of technical know-how and expertise among all sections of the people that he is referring. And, despite all the red herrings that tend to be drawn across the trail, in an attempt to prove some charge of so-called governmental or private intransigence, I think we should not allow ourselves to forget that, in a considerable measure, this spirit of working in harmony for the most rapid development of industries in the country is already a reality.

#### IV

Let me turn now to the other questions I raised some time back—first of all, whether there is any warrant for private industry in India to fear arbitrary nationalisation. There can be little doubt that a man

under the sentence of death does not put forth the best of his ability or talent. But I think it is clear that not only has no such sentence been pronounced but also that the temptation to nationalise existing industries for the sake of nationalisation has been stoutly resisted in India. This is a matter in which assurances have been repeatedly given by the highest quarters and I can do no better than quote the Prime Minister :—

“I have no shadow of doubt that, if we say ‘lop off the private sector’ we cannot replace it adequately. We have not got the resources to replace it, and the result would be that our productive apparatus will suffer. And why should we do it?

I don’t understand. We have our industries, there is a vast sector, and we have to work it. Let the State go on building up its plants and industries as far as its resources permit. Why should we fritter away our energy in pushing out somebody who is doing it in the private sector? There is no reason except that the private sector might build up monopoly, might be building economic power to come in the way of our growth. I can understand ‘prevent that, control that, plan for that’; but when there is such a vast field to cover, it is foolish to take charge of the whole field when you are totally incapable of using that huge area yourself. Therefore, you must not only permit the private sector, but I say, encourage it in its own field.”

I have no doubt that responsible sections of the private sector in India have no misgivings on this question of nationalisation. Government record speaks for itself. The special reasons which led to the two important acts of nationalisation—of the Imperial Bank and of Life Insurance—are, I think, now better known and more fully appreciated. The nationalisation of the Imperial Bank was prompted solely by the desire to fill a lacuna in the structure of rural credit to enable the State to undertake tasks which a private commercial bank could not be expected to undertake. As the Chairman of the new Life Insurance Corporation, I am perhaps not the best witness in testifying to the soundness of the nationalisation of Life Insurance in the country. But I am confident that time will show that the step was necessary, in the interest of the average man and the country, and that it has not and would in no way hamper the adequate supply of insurance funds for the growth of private industry. I think I am also right in asserting that much of the misgivings about the Constitutional

amendment which we adopted in 1955 has also disappeared by now. In effect, this amendment removed questions of compensation for nationalisation from the jurisdiction of the courts. The principle of recognising the Parliament as the supreme authority in determining compensation is an established one in most countries including the United Kingdom, and in accepting the same principle for India we did little more than prevent excessive litigation in courts in support of dubious claims contrary to the wishes of the electorate. Any misgivings that the Constitutional amendment might be used as an instrument of confiscation have been set firmly at rest by the compensation actually provided for in the case of the Imperial Bank and the Life Insurance companies.

So much for the future of private industrial units already in existence. What about the scope for future expansion of private industry? A few industrial undertakings were completed by the State in the First Plan period, notably the Sindri Fertilizer Factory and the Chittaranjan Locomotive Works. Some of the industrial enterprises owned and operated by the old princely States were also inherited by the present Government of India. But, by and large, the State had not entered the industrial field to any significant extent till recently.

In the Second Plan period, however, the State proposes to invest some Rs. 600-700 crores in large-scale industries and has definitely taken upon itself the direct responsibility for setting up a number of industrial enterprises. There has thus been a clear shift in emphasis in favour of a more active participation by the State in industrial development.

But to say that the State has set out to participate more actively in industrial development is not the same thing as saying that the private sector is being circumscribed—much less unduly circumscribed—in the matter of industrial development. The Second Five Year Plan provides for a much larger investment by private organised industry also—some Rs. 600 to 700 crores of new investment against some Rs. 250 crores in the First Plan period.

The substantially larger participation of the State in industrial development is only a reflection of the fact that we have now set our sights rather high in the matter of industrial development and that we have given high priority to the development of basic capital-goods industries. These basic industries require large amounts of capital and entail a high degree of risk and it is doubtful if their development on the scale required could have even been attempted without the active participation of the State.

I am, for the moment, ignoring the important and vital consideration of the speed with which it is essential that these basic industries should be developed, for it is quite obvious that private enterprise could not even have attempted to undertake all the development in this sector that is projected during the Second Plan period. In almost all cases, the establishment of heavy industries—steel plants, electrical equipment and so on—requires the technical cooperation and financial assistance of foreign investors and foreign governments.

It is again doubtful if arrangements for foreign assistance and cooperation on an extensive scale—and for long-term projects with a considerable element of risk—could have been made by private entrepreneurs alone, acting on their own initiative and on the basis of their own good-will.

I have already indicated earlier that the Government has used its good offices for obtaining external finance for private industry. In the Second Plan also, and even in the field of basic industry such as steel, the private sector is being encouraged and assisted in implementing schemes of substantial expansion. When all these things are taken into account, it is difficult to see the justification for contending that the expansion of private industry has been or will be held back artificially in the second five year plan. Indeed, the early development of these basic industries is already resulting in the development of a number of ancillary industries by private enterprise, which would otherwise have not been possible.

## V

In a sense, I think, we also get a somewhat wrong picture of the relative roles of the public and the private sectors in industrial development in the Second Plan by looking merely at the relative figures of proposed investment. The public sector has chosen for itself deliberately the difficult field of heavy industries—industries where investment is large in relation to output. The investment of the private sector, on the other hand, will be spread over the whole range of industries with the result that, with roughly the same total investment, the private sector would account for a much larger share of the additional output. I doubt if the output of all the industrial enterprises in the public sector at the end of the Second Plan will reach even 10 per cent of the total output of organised industries in the country. This rough order of magnitude must be borne in mind when we consider the relative ability of the two sectors to shoulder effectively the responsibilities they have assumed.



If we look beyond the Second Five Year Plan, the broad outline of the role of the public and private sectors in industrial development are defined in the Industrial Policy Resolution of 1956. This Resolution clearly reiterates the intention of the Government to play a more active part in industrial development, particularly in the sector of basic and heavy industries. But, at the same time, the 1956 Resolution provides for a great deal of flexibility in the application of the broad principles laid down therein.

Only four industries or public utilities are specified as exclusively within the jurisdiction of the Central Government, that is, railways and air transport, arms and ammunition and atomic energy. I do not think anyone would seriously quarrel with this stipulation. The remaining thirteen industries in the first group, which includes iron and steel, mineral oil, coal, shipbuilding etc., are defined as industries where all new units are to be established by the State.

But even in this field, the expansion of existing units is not ruled out; nor is the cooperation and participation of the private sector to be shunned when it is in national interest. That this flexibility is intended to be a real thing is clear from the recent agreement with the Assam Oil Company and from the sizeable expansion plans of the two private steel plants in the country.

The Industrial Policy Resolution also defines a second group of twelve industries including aluminium, fertilizers, synthetic rubber etc., in which the State will increasingly establish new undertakings. But this field will also be open to the private sector as indeed the vast field outside the two groups of industries listed in the Resolution. The Resolution states explicitly that the division of industries into separate categories does not imply that they are being placed in water-tight compartments. It is recognised that there will not only be an area of overlapping but also a great deal of dovetailing between industries in the two sectors.

It is, of course, possible to argue that as long as there is any field in which the right to establish new units is reserved, by and large, by the State, there is a corresponding infringement of the freedom of the private sector to develop. I can only say that this is a view which is clearly unacceptable to the Government as well as to the large majority of the people. There is no need to deny that there are wider considerations of national interest which require that the ownership and control of a few specified industries must rest, by and large, with the public sector.

If you examine the seventeen industries listed in Schedule A in the Resolution, you will find that they are all carefully chosen and that there are good reasons why the future development of these industries should be in the public sector to the extent possible. I have already referred to air transport, railways, arms and ammunition and atomic energy where the reasons for a State monopoly are obvious enough. Several others such as the generation and distribution of electricity, telephones, aircraft, shipbuilding and minerals required for Atomic energy are also of a non-controversial nature inasmuch as they are already largely in the public sector or are providing exclusively for the requirements of the public sector. That leaves broadly two other fields which are reserved largely for the public sector, viz., the development and exploitation of the country's mineral wealth on the one hand and the development of iron and steel and the heavy machine-building industries on the other.

India is not so very rich in mineral wealth in relation to her requirements and there is, therefore, urgent need for ensuring that the exploitation of natural wealth is not guided by short-term considerations of private profit alone. The treasures of the earth have also been a great bone of contention among nations especially when their exploitation is left solely to rival international cartels. As for iron and steel and the heavy machine-building industries, I have already indicated the reasons why for many years to come the resources required for their development could in any case come largely only from the public sector. It is, of course, possible to hold a different view in specified cases; but, by and large, the division of responsibility defined in the Industrial Policy Resolution stands to reason and, in any case, it leaves sufficient room for flexibility to accommodate individual cases.

## VI

I have not yet dealt with one aspect of my subject this evening. What about the various measures of regulation adopted by the Government? Do they not constitute a considerable interference in the day-to-day affairs of private industry? This is a rather large subject inasmuch as one has to consider a great many items of recent legislation from a number of stand-points in order to answer the question satisfactorily.

I will only make one rather obvious but often overlooked point that a country which wishes to improve its standard of living quickly and which has unquestionably limited resources of men, money and

material, must necessarily ensure that no avoidable waste takes place in the utilisation of these resources : and if there is one thing about which there is no doubt at all it is that unrestricted competition, or laissez faire in full, is the most wasteful of all forms of economic organisation. You have in it invariably first to incur a lot of expenditure which becomes infructuous as the forces of competition lead to the elimination of the less competent or the less efficient firms.

This trial and error method of economic development is not only the negation of all planning, but is one which it would be suicidal for a country like ours, which has fallen behind-hand in the economic race, to afford. That is why, even the private enterprise is not only prepared for but accepts the need for a measure of planning and regulation; but it has a tendency to stop short in its acceptance of regulation at a point where at the least it becomes arguable that the general interest is not fully safeguarded without further regulation.

But I think I am right in saying that a large part of the regulatory measures adopted by the Government are not only acceptable to most businessmen in the country but are also recognised by them as being in their own general interest as well as in the interest of the country. I venture to think that the Industries (Development and Regulation) Act, the control over capital issues and over exports and imports as well as the selective control exercised by the Reserve Bank over bank credit, are all examples of government regulation which have, by and large, a wide measure of support from private industry itself. The air of controversy seems to surround only two measures in the main—the new company law and the taxation of companies.

The new company law undoubtedly gives a large number of discretionary powers to the Government. But it has been repeatedly made clear that these powers will be used most carefully and consistent with the important role assigned to the private sector.

It has, I think, been a common experience in India in recent years to find that the spate of criticism which accompanies almost every new measure subsides as time goes on and as it becomes apparent that the fears expressed earlier are belied in the actual administration of the measure. The company law seeks to perform the legitimate function of safeguarding the rights of shareholders, of preventing excessive concentration of powers and of strengthening the confidence of the people in the corporate sector by reducing the danger of mismanagement and fraud.

Let us not forget that the industrial development of India hitherto has been on the basis of a great deal of concentration of power in the hands of a few people not all of whom command a great deal of respect from the people. In these circumstances, the powers acquired under the new company law can serve to create a new confidence in the corporate sector at large. It must be admitted, of course, that some of the provisions might prove to be unhelpful or impracticable in their application, and these, no doubt, will be suitably amended when the law comes to be reviewed. But on the whole, I have little doubt that in course of time, this piece of legislation will also come to be regarded as a help rather than a hindrance to the growth of private industry.

The question of taxation of companies, I am afraid, is a very tricky one. I suppose none of us would like to be taxed really, and it is quite a hopeless task to try and persuade anyone that he is not overtaxed. I have already referred to the large variety of tax concessions that have been granted to private industry for development and I do not wish to enter here into the merits and demerits of various tax measures such as the capital gains tax or of the new provision for compulsory deposit of a part of the reserves of companies. The question I wish to raise is a more general one : Can it be argued that taking the over-all impact of Government's fiscal policy into account, the State is appropriating too large a share of the available savings for itself, leaving too little for the private sector? We may argue a great deal about the rights and wrongs of a particular tax, and certainly, there is scope for devising more rational system of taxation. But the more important question is that of the share of the State in the total savings of the community and the extent to which it uses the powers to tax to raise this share.

Here again, the real situation is one which should be disheartening to the public rather than the private sector. The share of taxation in national income in India is among the lowest in the world—some 7 to 8 per cent of national income as against 20 to 30 per cent of national income in many countries. The public sector in India has hardly any savings it can call its own—the revenue of the Government is just about enough for financing the current outlay of the State so that little or no savings are left for financing the investment in the public sector. For financing its investment, the public sector has to rely largely on borrowing from the people—a task in which it has to compete in the open market with other claimants for the savings of the people. Admittedly, the Government has recourse to deficit-financing to some extent; but here again, it should not be forgotten that the instrument of deficit-financing is available to the private sector

also and is in fact being utilised by the private sector to a considerable extent. I am referring, of course, to the creation of money implicit in the extension of bank credit to the private sector.

All in all, the public sector in India has hardly any special advantage created for itself vis-a-vis the private industrial sector in the apportionment of the savings of the people. When we judge whether the burden of taxation on industry is too high and whether the State is starving private industry of funds in order to push ahead with its own development plans, this over-all fact should not be lost sight of.

## VII

I am afraid, I have taken you on a rather long and tedious excursion into the vast sphere of economic policy in relation to the private sector. My purpose in doing so has not been to assert that everything is well with economic policy in the country. Nor do I wish to suggest that in many individual or specific cases the private sector may not have a legitimate grievance of undue red tape and bureaucratic interference. I do feel, however, that a great many discussions of the role assigned to the private sector in India tend to neglect various important aspects of the problem and to hang a multitude of sins on one or two rather minor points.

I think it is important, in this crucial period of our national development that, we should avoid unfair arguments, misstatements and exaggeration in all controversies. Nothing is likely to corrode the nation's sense of solidarity more than a vociferous and acrimonious debate about the private sector and the public sector.

We have set before ourselves the ideal of a peaceful approach to all problems—the ideal of economic progress without the cacophony of class warfare and mass hysteria. But the echoes of class warfare would not be far if we allow ourselves to drift into a bitter debate among the exponents of the private sector and the advocates of the public sector. There is room enough for both and the broad outlines of policy we have adopted give ample scope for each to live and prosper in mutual harmony. It is in the preservation of this harmony—in the inculcation of the spirit that there is no private sector and no public sector but only one national sector—that the hope for most rapid industrialisation and prosperous India lies. And where there is harmony, there is always room for adjustments and accommodation in mutual interest.

## THE U.S. CIVIL SERVICE COMMISSION

*D. G. Karve*

LIKE other organs of public administration Civil Service Commissions in U.S.A. have developed along lines indicated by local conditions. As is well known, for a long time appointments to services were made by political bodies. With reference to the least commendable features of this system, it was described as "spoils" system. As both the political parties obtained more and more experience of these arrangements they saw the superior merits of taking out as large a part of the services out of political patronage as possible, and to entrust the selection of appointees to an expert body. It is said that the murder of President Garfield by a disappointed suitor for a public post hastened the formation of a Civil Service Commission. Whatever truth there may be in this "coincidence" there is no doubt that opinion within and outside the political parties was gradually firming up in support of taking as many appointments out of politics as possible. But the long history of political appointments to services has left its mark even on the institutional arrangements made for non-political recruitment to civil services.

That the three members of the U.S. Civil Service Commission are appointed by the President is in itself not an unusual thing. After all, the President is the Chief Executive and like other principal executives can with propriety have the patronage for these key appointments. These appointments have to be confirmed by the Senate, like all other important appointments. The term of office of each Commissioner is now six years. Much of the efficiency of the Commissioner's work would no doubt depend on the nature of qualifications which are considered suitable for appointment as Chairman or member of Civil Service Commission. No specific qualifications have been prescribed, and in fact the qualifications have varied with the personal preference of Presidents concerned. Out of the three members two, including the Chairman, belong to the majority, i.e. the governing party, and one is necessarily chosen by the other party. Though they are chosen by political bodies, partly at least on account of political considerations, the appointees are themselves not active politicians. All the three members at present serving on the Commission have been career men. Though there is no rigidity or finality about the arrangements, it can now be stated as a broad fact and tendency that the Civil Service Commission in U.S.A. is an independent expert body to aid the

Government of the day in selecting suitable candidates for appointment to public posts in the Civil Service.

The U.S. President is not merely a nominal head of the executive organization of the State but he is himself the executive. It is, therefore, considered appropriate and essential that the persons who influence the choice of public servants should be such as can be trusted to carry out their duties on the highest level both of wisdom and of responsibility. Once this is achieved, there is no intervention by the President in the functioning of the Commission. As usual, this is a matter where personalities would play an important part. But by a growing tradition as well as by the firmer and more detailed institutionalization of its activities, the Commission must by now be said to be free from Presidential interference. The feature, which even now would mostly depend for its beneficial use on the personalities concerned, is the bi-partisan and unbalanced character of the composition of the Commission. That two members belong to the majority party and one to the minority would appear to invite a partisan bias in the working of the Commission. Organizationally, this possibility cannot be ruled out. On the other hand, given the long history of political appointments, such a composition would actually make for better balance and better security than were possible in older days. Moreover, if the tradition of appointing members chosen by the two parties for their experience and expertise is continued the apparently bi-partisan character of the Commission may not create stresses and strains in its working. Even at its best, however, the bi-partisan character of membership is a feature which has more a historical than a functional justification.

Ideas about the most appropriate form of the Commission's organization are all the while under review in keeping with changing conditions. For some time, out of three, one was a lady member. At present there is no woman member on the Commission. The Commission has by now institutionalized its activities in considerable detail. The number of posts in the federal civil services is very large. The terms and conditions are as a rule not more attractive than can be obtained in non-governmental employment. The overall employment situation is such that the number of applicants for the civil service is normally very limited. Tests instituted by the Commission are designed to operate more as qualifying tests than as competitive tests. The available types of posts and the qualifications needed for the same are freely advertised. Applicants are expected to supply adequate personal information in the light of which initial suitability is determined. Candidates so selected are given specific tests, the results of which lend themselves to easy tabulation and assessment. These methods not

only contribute to an almost mechanical accuracy but they achieve a rapidity of operation which ought to satisfy the most impatient candidate. Candidates who feel aggrieved can appeal to a Board composed exclusively of service personnel. Any complaints received from personnel already in service are also attended to by the Board. In cases of special importance, the Commission itself would intervene to ensure that justice is done. Every employing agency has an employment officer whose duty it is to see that no discrimination or injustice is done to any candidate or servant. Heads of offices, who are the employing authorities, have also the responsibility to ensure conditions of fair treatment from the stage of recruitment to retirement.

There are a couple of other agencies which, in some measure, exercise influence in the service organization of U.S.A. A few years before the Civil Service Commission was established, there came into being the National Civil Service League interested in the problems of recruitment, discipline, conditions and operation of public services. In 1906 was established the Civil Service Assembly of the United States and Canada. These are non-governmental organizations. But by their long experience, direct interest and nationwide affiliations these bodies keep up a standard of informed public scrutiny which acts as a healthy influence on the services as well as on the Service Commissions. Within the Government, there is a Congressional Committee on Civil Services which is almost continuously operating as a high tribunal for grievances arising out of service matters, and as an important sharer in legislative and financial authority concerned with civil services. This Committee, like other Congressional Committees, is a bi-partisan organization. The Commission's work figures prominently before this Committee. It is probably in this context that the bi-partisan character of the Commission itself has its most direct relevance.

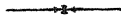
Among matters which inevitably arise out of a study of the historical background and the natural balance of powers in the American Constitution are questions connected with the 'autonomy' of the Civil Service Commission. In its present form the Commission cannot in theory ask for autonomy, though in practice it may enjoy it in full measure. As the composition and work of the Commission become more and more firmly professionalized as a career activity free from politics, it would be worthwhile considering whether the requirements of close association with the President on the one hand, and the Congress on the other, could not be met by a service bureau under one of the Secretaries, like the establishments division in Ministries of Home or Internal Affairs in other



countries. If this is achieved, the Civil Service Commission may well function as a continuing autonomous body, with appropriate divisions of recruitment, discipline and appeals. The U.S.A., and in fact, all democratic countries have now gone so far on the way to expand the contacts between the governmental organization and the private and business life of the people that it may well be argued that almost like the legislative, the executive and the judiciary, the services must be treated as a functional organ having some direct responsibility towards the people. This growing need may influence constitutional and administrative evolution in many ways.

An autonomous Civil Service Commission would be an important feature of this further evolution. Most of the States have their own civil service commissions, and at least one, New York, has a civil service commission even for county services. These commissions have no direct relationship with the federal commission. Conferences are, however, occasionally held, at which common problems are discussed. No resolutions having a binding validity can be passed, but the course of discussions influences thought over the whole country.

Recognition of public services as an important separate organ, though perhaps not a separate "power", in the organization of a democracy, would bring civil service commissions more firmly and more directly into the operation of democratic life not only in the U.S.A. but in all democratic countries.



"The relationship between political leaders and the people is a reciprocal one. The standards of the people influence those of public officials, and it is hard to develop honest officials in a corrupt society. But it is equally true that high standards on the part of officials and public leaders raise the level of the whole community."

—PAUL H. DOUGLAS  
(in *'Ethics in Government'*)

## ORGANISING A RE-ORGANISATION UNIT

*K. K. Dass*

SOME interest in the problem of re-organising and stream-lining the machinery and methods of Government is now being taken in almost every State of the Indian Union. In Uttar Pradesh, the organisation work has been in progress for several years under a number of officers. To some extent it has been a process of trial and error, and out of the experience it has been possible to evolve certain conclusions regarding the most suitable form and methods of work of the unit to which re-organisation investigations are to be entrusted—conclusions which would seem to be of general application at least in India. These are discussed in this article, and a description of the structure and working of the re-organisation machinery in Uttar Pradesh is given, in the hope that they will be of some interest to administrators in other parts of the country.

The first conclusion is that the re-organisation work should be entrusted to a *whole-time* officer or unit. It requires not only leisure to think, but also non-involvement in departmental work and outlook. It may, however, be desirable to give the re-organisation unit control over some small office (e.g., in U.P., the Inspectorate of Offices), but this should occupy only a fraction of its time and should in some way be connected with its work. To begin with, the unit may not have enough "office" work to do. Indeed, its members may feel a sense of inadequacy. Patience is essential, as, at first, progress should be slow and each step taken carefully. The pace accelerates considerably as time goes on.

Secondly, the Re-organisation Unit should be small—consisting of an officer and his stenographer to begin with. More staff may be added to as work increases; but it should in no case exceed 4 or 5 persons in all. The officer heading it should be fairly senior. In U.P., 3 out of 4 officers have been of Commissioner's rank, the other being a senior Collector.

The Re-organisation Unit must be abundantly supplied with all varieties of books and periodicals—including those which do not appear to be directly connected with its work. In U.P., it has been possible to draw on the well-stocked and admirably-run Assembly and Secretariat Libraries. In smaller States it may be necessary to give to the re-organisation officer some control over the Secretariat Library.

The Unit should be located in the State Secretariat, and under the Chief Minister and Chief Secretary, as central direction of its work

is essential for success. This will also provide the Unit with the necessary high-level support and enable it to secure co-operation from all quarters.

## II

The analysis and re-organisation of work methods and procedures would require an all-round and comprehensive effort. Independence and democracy have brought about tremendous changes, but administration seems to run on pre-1947 concepts. In fact, in many instances its rigidity has increased. The re-organisation work must, therefore, be done in depth. It is not enough to find out the total volume of work, the amount which can be done by one clerk, divide the former by the latter, and then issue orders about re-allocation of staff. Nor should existing rules be reiterated and brought forcibly to the notice of erring subordinates. Graphs and charts by themselves will not help much. What is wanted is that everything must be examined afresh. The point of view from which this is done is of supreme importance.

In the context of the size and complexity of development and welfare activities, the main perspective of re-organisation has essentially to be 'trust and delegation'. Without 'trust and delegation' it would not be possible to overhaul the administration and to invest it with the flexibility and vitality necessary for the accomplishment of its new and increasing responsibilities. Looked at firmly from this angle, many rules, regulations, orders, returns, registers, etc., disappear automatically. Many of the remainder should be liberalized. But, it is neither desirable nor should it be necessary to deviate much from the existing framework; great changes can be made while still keeping within it.

It is too early yet to form any authoritative conclusions regarding the results of re-organisation measures already taken in U.P., as the first orders (regarding Collectorates) came into effect only recently—from January 1, 1957. But there are indications that the new arrangements have evoked the hoped-for response in loyalty, integrity and hard work. Public co-operation has also been readily forthcoming as their convenience is taken into consideration at every step.

Getting closer to detail, how is the re-examination of the present work methods and procedures to be carried out? One approach would be to read all the manuals, rules, etc. and to try to improve

them. Another is to send out questionnaires and suggest modifications and reforms after taking into account the replies received. Without going in detail into the respective merits of these two processes, it may be observed that the system outlined below has been found very useful in U.P. :

- (a) The work of each official, from the highest to the lowest, in the department taken up for re-organisation, is first examined. A member of the Re-organisation Unit, preferably the officer heading it, visits the office and tries to understand what each member is doing by talking to him personally. The reason and authority for each action is inquired into. Certain conclusions begin to emerge. Pencil notes are taken at the spot. These are immediately reduced to type-written memoranda.
- (b) At the end of the examination, the memoranda are put together. It is then necessary to write a comprehensive, but tentative report and to circulate it for opinion to various officers in the field and the Secretariat (including Commissioners of Divisions). Many valuable criticisms are offered; the report may be thoroughly revised in the light of these. Since re-organisation of this type can succeed only by persuasion, proposals which meet with wide-spread criticism should be abandoned—at least for the time being. In U.P., suggestions from the clerical staff were also asked for; and the useful ones were rewarded, either in cash or by a good entry in the character roll.
- (c) The next step is important. The revised report should be put before a committee of senior officers, presided over by some one other than the re-organisation officer, and after incorporating the changes suggested by the committee, it should be put directly before the Cabinet for their orders. It must not be subjected to “noting” at any stage.
- (d) After the Cabinet’s orders, the General Order based on them should also be drafted by the Re-organisation Unit, if necessary with the help of the departments concerned. The Unit should be given by the Cabinet the necessary power to set right any difficulties that may arise in the implementation of their recommendations. For short period,

say, a year, the officers of the re-organised department should bring these difficulties in writing directly to the notice of the Unit (endorsing copies to their superiors), and the powers given by the Cabinet should be promptly and freely exercised.

### III

The U.P. system of re-organisation has several advantages. It puts forward positive ideas within a recognisable framework. The final orders are based on persuasion, and the reasoning behind them is known and on the whole accepted.

The main disadvantage is the strain imposed on the staff, particularly while the report is being written.

There is an alternative to the report system, which is also being tried out in U.P. This consists of simultaneous examination of the structural arrangements and work procedures and the institution of trial reforms as this examination proceeds. It should only be used when the following two conditions are fulfilled :

- (a) The Re-organisation Unit should have gained in experience, and the practicable and acceptable line of reform should be fairly clearly known both to it and to the Government.
- (b) The administrative unit to be re-organised should be very large, such as the Secretariat.

When these conditions are fulfilled the work may be taken up simultaneously in such parts as will not conflict with each other e.g., delegation, reduction of returns, changes in office procedure, prevention of stagnation in officials. Even so, it will probably be necessary, after the various parts have been dealt with, to write a report stating what has been done and what still needs to be done, so that the final result may not be patchy. Also, a broad plan should be drawn up and approved before the work starts.

### IV

The cost of re-organisation on the lines suggested above is often inquired about. There should invariably be a saving if it is efficiently done, and the results required of the administrative machines are, after re-organisation, produced with the least possible effort. This may mean that a smaller number of staff is now needed, thus rendering

some hands surplus. As their duties change from petty routine to meaningful and responsible work, the pay of the staff have to be suitably increased. Investment has to be made in office equipment and machinery, particularly typewriters. Even so the overall result is, and always should be, a saving, as wasteful effort in Government offices is generally considerable.

In U.P., a firm decision has been taken not to retrench any one as a result of re-organisation. The posts found unnecessary are held in abeyance, or abolished only when the present incumbents are absorbed elsewhere. This does not take long, as fresh posts are always being created in our expanding economy. Till such re-deployment, there is plenty for them to do in clearing up arrears and weeding out old records.

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“We often complain of an excessive tendency... to spend time in discussions rather than in action, but there is no doubt that adequate time for discussions within the organisation enables the spirit as well as the letter of instructions and policy to be transmitted from one level to another. Let us not forget the essential need for adequate staff education to encourage the transfer of ideas between all levels.”

—SIR ALEXANDER FLECK  
(in *‘Vitality in Administration’*)

# SOCIAL AND ECONOMIC IMPLICATIONS OF THE COMPANIES ACT, 1956<sup>1</sup>

D. L. Mazumdar

**I**N a recent commentary on the new Companies Act, 1956, a distinguished lawyer and former Judge of one of the leading High Courts of this country, has observed as follows :<sup>2</sup>

“The Companies Act, 1956, constitutes a landmark in the development of company law in this country. . . Perhaps in no other country is the law relating to companies so detailed and voluminous. But the more notable and important feature is that the Act bears a perceptible impress of the recent trends in the social and economic development in this country and makes a conscious attempt to effectuate some of the directive principles embodied in the Constitution of India. It is not merely a statute which the Companies Act is presumed to be for the formation, management and winding up of companies but is inspired to some extent by a vision to bring about an economic order based on social justice.”

This is a substantially accurate appraisal of the general nature and scope of the new Companies Act, except that the presumption to which a reference is made in the above excerpts is based on the traditional view of the role of company law hitherto accepted in juristic circles in the United Kingdom. But even in that country, it is now being increasingly recognised that “Company Law has developed with exceptional rapidity in the last hundred years and further changes are inevitable, for company law necessarily reflects contemporary social and economic outlook and, in turn, helps to mould the social and economic organization of which it forms part”<sup>3</sup>. Since Company law is, *par excellence*, the basic law for the regulation of corporate enterprise in the private sector of a country’s economy where such a sector exists, it is important, not only for lawyers and judges, but also for businessmen, administrators and politicians, all of whom have an important stake, from their different points of view, in the efficient and purposeful working of this sector, that the underlying aims and objects of the new

1 Adapted from a talk delivered at a recent meeting of the Economic Seminar of the National Council of Applied Economic Research.

2 Company Law by N. C. Chatterjee and N. Krishnamurthi, p.1.

3 Principles of Modern Company Law by Prof. L. C. B. Gower, p.58.

Companies Act should be read, marked, learnt and inwardly digested. The technical aspects of the new Companies Act, which are of purely professional interest to the practitioners of law, throw up problems of a different category into which it is not necessary to enter in this context. This article will be primarily concerned with the wider issues of economic and social policy implicit in the provisions of the Act.

Nevertheless, it is as important for practising lawyers as for others that the basic objects underlying the new Act should be fully appreciated. Following the British traditions on which the practitioners of law in this country have been largely nursed and brought up, they have, as a rule, imbibed the well-known conventional attitude of the English common law courts and lawyers towards the so-called "intentions of the law-makers", and have preferred to rely on logic and precedents in the application of the provisions of statutes to particular cases. And yet, as a distinguished British jurist, commenting on the part of common-law judges and lawyers in the interpretation of statutes with a predominant economic content, has recently pointed out\*, that "legal provisions, whether established by the courts or by legislatures often take the form of broad standards and wide principles. Their application often involves processes of evaluation and subordinate legislation, which are most wisely and efficiently carried out when the purpose of the law is fully realized. Two millenia ago Celsus said, '*Scire leges non hoc est verba earum tenere sed vim ac potestatem*'. Lawyers ought to be acquainted with the policies of the law; and when the laws are concerned with economic issues, it is vital for lawyers to appreciate the economic theories and policies underlying them."

No less important is the need for such appreciation on the part of businessmen and of administrators who have to deal very closely with the working of the private sector. For, it is only through a proper understanding of the basic purposes of the new Act that one can discover that unity of purpose which permeates its varied and complicated provisions, and view the Act in its proper perspective in a constructive spirit. The over-worked businessmen and the administrators, no more than the harried politicians, could not be expected to have much patience with the 654 clauses and 12 Schedules of the new Act. It is not, therefore, surprising that, soon after the Act came into force, many of them were apt to accept, at second hand, views about the new law which sprang from an amorphous mental attitude towards its specific provisions, based either on inadequate appreciation of their basic purpose

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\*From an article by Prof. J.L. Montrose of Queen's University, Belfast, on the administration of anti-monopoly measures and the Restrictive Practices Act (1956) in the U.K., in a recent issue of the *Economic Journal* (Dec. 1956).



or on misconceived apprehensions of the manner in which they were likely to be applied. That original mood still lingers in some very limited areas of the private sector, but this mood is not very dissimilar to the attitude which a recent historian of the contemporary American business life records as having been generally prevalent in the United States of America prior to World War II. Thus, he observes :\*

“Prior to World War II, much of their social thinking had been reflected in attacks on the New Deal and on organised labour, with strong feelings of persecution and bitter resentment against the authors of new restrictions... Nevertheless, the experience of the thirties combined with world-wide tendencies towards social control and socialisation of business, has led businessmen to think deeply about the conditions which must be met if the private enterprise system is to continue as the basic economic organization of this country... It is only within past few years that large numbers of business leaders have publicly acknowledged and actively preached the doctrine that they are servants of society and that management merely in the interests of stock-holders is not the sole end of their duties. Indeed, discussion of the “Social responsibilities of business” has become not only acceptable in leading business circles, but even fashionable.”

There are already signs on the horizon that, in like manner, the working of the new Companies Act in this country over the last twelve months has begun to induce a slow but growing appreciation of its underlying objectives. The evolution of this constructive, as distinct from the earlier combative or critical mood is of great practical importance. For, it is only by a calm and dispassionate examination of its provisions, in the light of the country's accepted social and economic objectives underlying them, that one can arrive at a sound and balanced judgment as to whether the form or the structure of the Act is adequate or defective, and to what extent and in which directions it needs improvement.

An adequate understanding of the basic purposes of the Act is equally essential to administrators entrusted with the responsibility for administering the corporate sector and to those others who have the shaping of administrative policy relating to this sector in their hands. The new Companies Act is not only detailed and voluminous, but, as is well-known, confers large powers on the Central Government in

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\* “Social Responsibilities of the Businessman” by Howard R. Bown, pp.44-45.

order to enable the Administration to apply its complicated provisions to individual cases with judgment and discrimination, to deal with hard or marginal cases with understanding and sympathy, and above all, to impart flexibility to the working of a measure, which requires, perhaps more than any other comparable statute, careful and deft, not rigid and pedestrian, handling. A little reflection will show that the administration of the new Companies Act must involve frequent judgments of value, and the taking of decisions on behalf of Government based on such judgments, in a large number of issues which are essentially "policy" matters, and not merely executive decisions of a type, which could be taken at technical and subordinate levels as in many other spheres of governmental activity, e.g. in the construction of a steel plant or the building of a dam. In other words, the processes of administration in the case of a measure like the Companies Act, if it is to be administered dynamically in fulfilment of its basic purposes, must be informed at every level by a clear perception of policy and objectives. The role of Government in this case cannot, therefore, be merely that of a court of law, and the responsibility of the Administration must of necessity be to administer a policy and not merely a law. In current discussions, this basic difference in the nature of the responsibility for the administration of the Companies Act is not generally understood; and yet administrators concerned with the working of the Act can ignore it only at the cost of forgetting their vocation. Without a thorough and adequate understanding of the basic economic and social logic of the new Act, it would be impossible for administrators to implement its provisions effectively or to exercise purposefully the powers conferred on the Central Government—powers which at many points touch the core of our accepted economic and social policies.

## II

The special features of the new Companies Act which distinguish it from its predecessors are broadly known to students of our current economic and social policy. It does not, therefore, seem necessary to describe them at much length. In any case, space permits of only a very brief reference to a few of the more important ingredients of the basic objectives underlying the provisions of the Act. These may be roughly classified under the following heads :—

- (a) *Measures calculated to dissipate concentration of economic power :*

A string of sections in the Act deals with this matter. Thus, Section 89 provides for the termination of disproportionately excessive voting rights in existing companies after the commencement of the Act. Section 275

prescribes that no person can be director of more than 20 companies; Section 293 imposes several restrictions on the powers of directors with corresponding enlargement of the powers of shareholders; Section 316 limits the number of companies of which one person may be appointed managing director ordinarily to only two; Section 332 provides that no person shall be managing agent of more than 10 companies after the 15th August 1960; Section 368, for the first time places managing agents under the supervision and control of directors without any qualification. Their powers *vis-a-vis* the directors are defined in Schedule VII, and the specific power to nominate directors on the Boards of the managed companies is regulated under Section 377 of the Act. An attempt is made to control undesirable concentration of economic power arising from inter-company financial transactions through the regulation of inter-company loans and investments, in companies which are under the same management as defined in the Act. The sections dealing with this subject, particularly sections 372-73, were of a tentative nature, but the intention of the legislature was obviously to require the prior approval of the Central Government to such inter-company investment within the same management group, when they exceeded certain magnitudes, so that the policy issues arising out of such investments might be carefully assessed in individual cases, and only such investments permitted as were found to be, on balance, in the public interest. The recently formulated scheme for the compulsory deposit of reserves of companies has sought to carry this object further and to cover all companies, although not through the provisions of the Companies Act. The sections mentioned above are only illustrative of the intentions of the legislature to reduce the concentration of economic power in the corporate enterprise in the private sector; many other provisions of the Act directly or indirectly serve the same purpose.

(b) *Measures designed to reduce inequalities of income and wealth :*

The other dominating idea which swayed the legislature was the desire to reduce inequalities of income and wealth. Although it was recognised in course of the debates in Parliament that this object could be achieved through appropriate fiscal measures, the well-known limitations of the fiscal weapons induced Parliament to take the

view that, as an aid to the tax gatherer, it was necessary that a direct attack should be made on certain types of income and wealth, which were earned in circumstances, where the correlation between incentive and effort, or between risk and reward, was not marked or readily visible. Typical of these provisions in the Act are Section 198, which prescribes an over-all maximum managerial remuneration coupled with a minimum managerial remuneration in the absence of, or in the event of inadequacy of profits; section 309 which imposes some limitation on the remuneration of directors; and section 348 which limits the commission earned by managing agents to 10% of the net profits of a company. Power has been taken in these sections to deal with cases where a strict enforcement of the prescribed maxima might either cause undue hardship or produce avoidable disincentives. Similarly, an attempt has been made to control some existing sources of income, particularly in cases where the services rendered by the management are not commensurate with the scale of rewards to which they are entitled. Thus, section 356 of the Act prohibits the appointment of managing agents as selling agents or buying agents of the companies which they manage, except in circumstances where such appointment is permitted under the controlled conditions. Similarly, section 360 attempts to regulate contracts between managing agents and the companies which they manage, relating to the sale or purchase of goods, or the supply of services to such companies by the former. Section 349 attempts a rigorous definition of "net profits" for the purposes of calculating managing agency commission. The effect of this definition has been to reduce appreciably the funds out of which managing agency commission is payable.

(c) *Measures designed to democratise company managements :*

Another important ingredient of the basic economic and social objectives underlying the new Companies Act was the anxiety of its authors to democratise company management to the maximum extent possible. A very distinguished company solicitor, the late Shri S.C. Sen, who assisted a former Law Member of the then Government of India, the late Sir N.N. Sarkar in 1936 to amend the then Companies Act (till then the largest single amending measure), threw away a company lawyer's customary caution and reticence to the winds when he roundly commented in

his report on "the oligarchy of directors and the autocracy of the managing agents". Subsequent events have shown that the managements of companies are not always a powerful or dictatorial as this experienced company solicitor apparently found them in his times. Nevertheless, there was a widespread feeling during the discussions in Parliament on the new Companies Bill that the shareholders of joint stock companies were not having a fair deal and that, therefore, the law should be suitably amended to enable them to exercise a greater measure of control on the affairs of companies. This is the genesis of these provisions in numerous sections of the Act of 1956, where company decisions are made subject to the approval of the company in general or special meeting. The legislatures thought that by placing certain matters relating to the working of companies under the control of shareholders in this manner, they were probably making it easier for the latter to take an intelligent interest in them and to exercise reasonable control over company affairs. In its essence, this argument is not very dissimilar to the popular political argument that the greater are the powers which are conferred on Parliament the greater are its opportunities to take an intelligent and effective interest in the day-to-day working of a democratic Government. Whatever may be one's view about the soundness or validity of this argument, it is difficult to cavil at provisions of this type in the new Act, unless one holds that the postulates of political democracy cannot, or should not, apply to the management of human affairs in other fields.

### III

Even those who accept the implications of the basic social and economic policies underlying the new Companies Act without any mental reservations, have sometimes wondered why the scheme of regulation envisaged in the new Companies Act is *prima facie* so different from the pattern of control envisaged in the U.K. Companies Act, 1948, and in the corresponding State Corporation laws in the U.S.A. and in the Securities Act of the Federal Government of the United States. Those who have had an opportunity of making a detailed study of the nature of the regulatory measures relating to company management and company practice in these two countries would demur to this unqualified generalization.

Nevertheless it must be conceded that our methods and techniques as embodied in the new Companies Act are somewhat different from

the instruments of control provided in the statutes of the other two countries. So far as the basic conceptions underlying our Companies Act are concerned, they are the same as the idea of "trusteeship" which informs not only company legislation but also company practice in the U.K. and the U.S.A. The structure of our Act and the mechanics of its operation are, however, very different, largely because of our different social and economic environment. The nature and scope of regulatory measures, particularly in the economic field, cannot be determined *a priori* on abstract theory, but must necessarily depend on the existing situation in a country, its traditions and institutions, or the lack of them. A comparative study of the structure and the working of laws relating to the corporate sector in the more important countries of the world is long overdue. When any such study is undertaken, as it must be before long, it would reveal the reasons for the different patterns of control and regulation obtaining in the different countries of the world.

It is not possible, within the short compass of this article, to touch upon the relevant human and material factors which account for different legislative types, but it would suffice to say that this difference between our law and those of the advanced countries of the West must be traceable, in varying measure, to the tardy growth of the tradition of fiduciary responsibility in the corporate sector of this country and to the absence of efficient and strong voluntary institutions of the type of the London Stock Exchange or the well-known Issue Houses or Merchant Bankers in the City of London or the well-organized and highly disciplined National Security Dealers' Association of the U.S.A., a voluntary institution which includes in its membership all important firms operating in the "over-the-counter market" in the U.S.A. Consistent with their high standards of integrity and the tradition of honourable service to the business community in their country, these voluntary bodies exercise a degree and range of control over the corporate sector in the U.K. and the U.S.A., which is hardly known in this country, but which, if fully known, would explain, much better than any *a priori* argument possibly could, how the opportunities which the private sector in the U.S.A. and more so in the U.K. enjoy for "determining many phases of public policy by resorting to extra-legal techniques" have effected the design and structure of the Corporation laws and the Companies Act of these countries. Further, the existence of a strong financial press, both in the U.S.A. and the U.K., does a great deal to assist the honest and efficient administration of corporate laws by creating an appropriate climate for their enforcement. The absence of any such effective support for regulatory laws in this country, particularly for laws relating to economic issues, places a heavy burden on the law-makers, who are, therefore, obliged to seek, within the internal structure of the statutes, those

stringent sanctions on which, in the different circumstances of this country, they feel they must, of necessity, rely for their effective enforcement.

In view of these facts, it would be disingenuous to argue that conditions in this country are comparable with those in the U.S.A. or the U.K., and that, therefore, we can emulate the pattern of control and regulation adopted and followed in these countries. This is probably what the former Finance Minister had in mind when in course of the debate on the Companies Bill in the Rajya Sabha he referred to some parliamentary criticisms of the structure of the Bill and the detailed nature of the regulations which it contained, and observed as follows:—

“Much has been said in the Lok Sabha, as well as elsewhere, about the enormous powers conferred on the Central Government by this Bill. I do not know if all Hon’ble Members fully realise the logical dilemma implicit in our basic attitude towards this difficult problem of company law reform. If we could have left joint stock enterprise alone, as it has been left more or less hitherto, obviously all that was needed was to fill in the lacunae in the existing Act and to strengthen the administration to enable it to carry on its limited duties a little better or perhaps very much better than it had hitherto done. But the compulsion of our accepted social objectives and economic policies renders this simple solution impossible. If the lessons of the past of other countries are of any use, our economy seems to be destined for an increasingly large measure of regulation and control in the social interest. The complexities of modern business inevitably determine the character of such regulation. It must either be detailed or it must remain ineffective. Basically this is the justification for the large measure of discretionary authority which has been vested in Government by this Bill. In other words, the powers which the Central Government are taking would seem to be largely a reflection of the scheme of regulation of the private sector envisaged in the Bill. I am confident that the powers which we have taken will prove to be a help and not a hindrance to legitimate business as we intend, as I said, to exercise them with discrimination and despatch.”

#### IV

It would be outside the scope of this article, even if it were possible to do so within its limits, to try and assess the extent to which the basic objectives underlying the new Act have been so far achieved by the

manner in which its provisions have been worked and enforced. But it may not be out of place to make a passing reference to two types of criticism which, taken together, may cancel out, but taken separately deserve careful consideration. In one view, the translation of these basic economic and social objectives in legal terms have in some cases lacked precision and concreteness, with the result, it is argued that unless the specific provisions of this Act relating to these matters are supplemented and followed up by detailed executive policy decisions, the enforcement of these provisions is likely to give rise to needless argument and debate and thereby frustrate the objects of the Act. This criticism is not entirely unfounded, but was not altogether unforeseen. It was recognized from the very beginning that the fundamental postulates of the socialist pattern of society, in so far as they can be legitimately applied to the working of the corporate sector, would have to be given their appropriate shape and form on an *ad hoc* basis. It was understood that individual cases would provide the raw material, which would have to be duly processed into concrete policy decisions by the executive Government in the light of the best company practice prevailing in the advanced countries of the world. The Department specially charged with the administration of the Companies Act was warned in advance that what it would have to administer should be a dynamic policy relating to the private sector and not merely a set of static provisions in the law, subject to the constant guidance of the Minister in charge. This is, indeed, the only satisfactory way in which company law can be purposefully administered in any country. As Lord Cohen observed long ago, "No model system of company law could be satisfactorily administered except through a strong and competent civil service, for it was of the essence of any such system that executive powers must be given to the executive, and a large measure of discretionary authority must of necessity be vested in the organization responsible for the administration of the Companies Act." This then was the solution propounded of the conundrum posed above. Specific policies could even be evolved in concrete terms to suit particular situations only on the basis of current events and past precedents; and only a Department closely in touch with the day-to-day working of the corporate sector and functioning directly under the Minister could frame such detailed policies.

The other criticism of the basic objectives underlying the Act is that they do not comprehend within their scope several vital issues affecting the operations of the corporate sector. In this context, particular mention has been made in some quarters of the absence of any effective provisions in the new Companies Act against anti-social practices like the speculative cornering of shares, with a view to securing



control over the management of well-run industrial concerns by undesirable elements in the trade and industry of this country. So far as the specific point about cornering is concerned, it is now generally recognized in all well-informed circles that, to the extent that some corners are found to be anti-social, they represent a symptom which cannot be eradicated, unless the disease which gives rise to them has been correctly diagnosed and the appropriate remedies devised. What is needed for this purpose is an integrated approach, based on calm and comprehensive thinking, and a concerted attack on the essentially institutional problems which give rise to this malady. No provisions in the Companies Act can deal effectively with this evil, unless they are to be so drastic as to destroy the foundations of the competitive capital market of a country. There is, however, a point of wider and more general import arising out of this argument which has a greater measure of validity. While it is true that the Companies Act—even an Act so detailed and voluminous as ours—can never provide a complete panacea for all the ills of the corporate sector, it is no less true that if the basic economic and social objectives underlying this Act are to be effectively realized, it is essential that the administration of all laws connected with the organization, structure and working of joint stock companies must be carefully co-ordinated and integrated. This has been the experience of the U.S.A. and the U.K., and indeed of all advanced countries of the world. That is, however, a different theme relating to the most appropriate form of departmental organization for the administration of the corporate sector, which, notwithstanding its importance and urgency, falls outside the scope of this article and must, therefore, be left out of the present discussion.



“The laws reach but a very little way. Constitute government how you please, infinitely the greater part of it must depend upon the exercise of powers, which are left at large to the prudence and uprightness of ministers of state. Even all the use and potency of the laws depends upon them. Without them your commonwealth is no better than a scheme upon paper; and not a living, active, effective organization.”

—EDMUND BURKE

## VIGYAN BHAVAN—A STUDY IN ADMINISTRATIVE ORGANISATION

*K. S. Krishna Swami*

ON a New Delhi plot of land, which but a short-while ago was covered only with some decaying trees and small brick structures, now stands an imposing building—the Vigyan Bhavan. Architecturally, it is a combination of ancient and modern ideas but in regard to functional utility, it is wholly modern. Situated within a mile from the hub of Government—the Parliament House and the Headquarter offices of the Central Ministries and Departments—Vigyan Bhavan has been constructed to accommodate large international and national conferences as well as cultural and scientific gatherings. It was largely because India had invited UNESCO to hold their 17th General Conference at New Delhi in September-October 1956, that the project for the construction of Vigyan Bhavan was conceived and carried through with remarkable speed. Unreserved appreciation since received from UNESCO and from the organisers of other later conferences and meetings in regard to the facilities provided to them in Vigyan Bhavan has been a source of great pride and satisfaction to all who were concerned in the planning and execution of the project.

Vigyan Bhavan consists of a main conference hall with a capacity for 706 delegates and 322 visitors, and smaller rooms for holding the sessions of commissions and committees, all fitted with equipment for simultaneous interpretation of speeches into different languages. The building has its own internal telephone exchange as well as direct dialing facilities from the main city exchanges. There is a bell-and-light indicator system for summoning delegates from all parts of the building into the meeting hall. A post office for handling inland and foreign mail, a telegraph office, bank facilities as well as offices for travel and tourism are all provided for within the building. It also houses two modern studios for broadcasting, one of which can be easily connected to the Overseas Communications Service. In addition, there is sufficient accommodation for housing the secretariats of large international conferences.

From the date of commencement of preliminary planning to the date on which the conference hall was handed over for use by the UNESCO Secretariat, the total period taken was only 18 months. Normally, the time taken would have been at least twice as long. All

the engineers and technical personnel concerned in this enterprise did a truly magnificent job for which they have received just tribute from the highest quarters.

This article is not, however, intended to describe the engineering and architectural details of this building nor to discuss what technical problems arose and how they were solved. The object of the writer is to draw attention to some interesting aspects of the whole enterprise looked upon *as a problem in administrative organisation*. Because of the dates already fixed for the UNESCO General Conference, the project had to be planned and completed in less than half the time than what would ordinarily have been spent on a project of such a magnitude. Similar achievements are not unusual in times of war when considerations of economy are almost wholly eliminated and the normal departmental procedures and safeguards freely disregarded. The problem here was to speed up the planning and construction *without, in any way, lowering the standards or disregarding departmental drill*. Some of the rather unusual departmental forms and workways which were adopted to solve this problem are described below in the hope that they may be of special interest in the general context of the programme for planned and rapid development on all sectors which is embodied in India's Five Year Plans.

## II

In a construction project of this kind, both in planning and execution, the needs of many different types have to be balanced and satisfied. There is, first of all, the consideration of the facilities to be provided; then there are questions relating to architectural and engineering designs and techniques, limitations about the supply of raw materials, equipment and technical personnel needed, and factors of cost and time. Ordinarily decisions in regard to such matters are taken and co-ordinated by cross-reference of papers between different authorities. This is usually a long drawn-out process, especially where the parties concerned differ in their ideas or emphasis. To arrive at *quick* and agreed decisions, both in regard to policy and its application, the device of "a co-ordinating committee in continual session" was employed.

Accordingly, the very first thing that was done was to set up a Construction Committee consisting of engineers of every kind (viz., civil, electrical, acoustic, electronic, telegraphic and municipal), representatives of most of the Ministries of the Government of India, and of contractors. This Committee, of which the present writer

was the chairman, played a two-fold role. Firstly, it functioned as an agency for co-ordination. Secondly, it served as the "brain storming" centre of the project. Every member had the right and opportunity to speak fully and frankly regarding his problems, his difficulties and the solutions he proposed. Differences were settled and necessary decisions taken *across the table*. There was no question of rank or false dignity. In the atmosphere of such free and frank discussion, every man felt that he was a vital limb of the Government and that it was up to him to come out with ideas and suggestions for expediting the project.

A very serious problem the Committee had to face related to delay in the supply of certain vital supplies. These could not, for various reasons, arrive in time and the problem became particularly acute in the later stages when, due to disturbed conditions in the Suez Canal, the manufacturers were unwilling to despatch the goods by the usual route and were demanding higher freight. Such problems were faced boldly as they arose. Quite often someone or other was able to suggest a substitute or an alternative arrangement to tide over the difficulties. A representative of the Director-General of Supplies & Disposals sat on the Committee and procedural difficulties were, therefore, immediately and easily resolved. The Committee favoured the use, to the maximum possible extent, of furnishings and fittings made in the country. The transport costs were also to be kept to the minimum. Where necessary, special officers were sent to Bombay and Calcutta to clear vital imported materials held up at the docks. Carriage by aircraft, which is always an expensive item, was successfully avoided, except in the case of a few components of the sound and interpretation equipment.

Another important problem was to evolve a time schedule which clearly lays down the dates for the completion of the various jobs and stages. This was by no means an easy task. However, it was satisfactorily accomplished by consulting, and taking into account the difficulties of the persons who were actually responsible for the job to be done. The Committee recognized that in any project or venture, requiring co-ordination and co-operation among many authorities and specialists, the manner of dealing with human material is very important for purposes of evoking and pooling of the best efforts. The targets and dates were kept as realistic and practicable as possible. In particular, the individuals in charge of the jobs were asked what kind of special assistance they desired and every attempt was made to give each the assistance he needed. This helped to create a sense of responsibility, a feeling that every one had to put his shoulder to the wheel.

## III

It is often mentioned that one reason why projects and schemes are delayed is that government procedure is cumbersome and that the apparatus of checks and balances built into the system has generally the effect of slowing down the tempo of programmed activities. This is a matter which is already receiving attention at the highest level in India. In the case of the present project, the authorities decided to adopt a novel approach to this eternal problem. The engineers were invited to scrutinize the rules regulating their activities, and to point out whether the requirements of any rule stood in the way of their quickly finishing the job. The object underlying the rule or regulation was quickly gone into and decisions were taken at a very high level, after ascertaining the facts of the case. In other words, the object of the rules was always kept in view; in fact, it was never by-passed. What was avoided was the usual time-consuming process of notings and cross-notings which are recorded on government files before any decision is arrived at. A copy of the decision at the governmental level was sometimes given to the subordinate officer to protect him against the transactions being queried in future.

The construction work was mostly done by contract. All contracts were awarded on the basis of tenders, except for certain special items where contracts were awarded by negotiation. On the building side, the major contract was given at slightly below the estimated rates. Somewhat higher rates were allowed for some of later contracts where the work was required to be completed in an abnormally short period. Similarly, on the electrical side, in respect of items of airconditioning and sound system the time allowed was limited and higher rates were allowed. Even against these higher rates, there can be set off the invisible gains in the forms of saving on overheads, made by large engineering organizations because the work is finished more rapidly. This aspect is frequently overlooked in making a financial appraisal of such projects.

It was realised from an early stage that there should be an engineer of sufficient stature on the site; one civil engineering division under an executive engineer was exclusively put in charge of construction; and during the last few weeks a special Superintending Engineer was employed to streamline the work of civil, electrical, airconditioning, and telegraph engineers.

Some changes had to be made in the details of the plan and designs after the work had been started. The problems of fitting them in,

within the overall plan of work and the time-schedules of construction, had often to be solved across the table between planners, architects, executive engineers and others concerned. There were also a few cases where structural changes were made as the work progressed. Normally, these problems are very time-consuming but were solved rapidly by decisions taken on the site by officers at a high level.

It was made clear to engineers and others working at every level that every one had to assume full responsibility in a well-defined sphere and if, for adequate reasons, authority was exceeded such initiative would be commended, and not called into question. Such an approach to day-to-day problems and the mental attitude generated in this atmosphere led to a remarkable spirit of enthusiasm and co-operation. And the departmental 'file' relating to the project remained quite slim throughout.

The need for speed in execution necessitated some decentralisation of administrative and financial powers from the top to middle levels. But as this decentralisation would have involved a change in the departmental procedures the *formal* and legal responsibility continued to rest with the Chairman of the Construction Committee. In practice however, he had to take quick decisions on important matters and allow the executive staff the fullest possible *de facto* freedom and authority to take decisions in anticipation of his approval. In doing this he had to take some risks also. But these risks were what he considered "calculated risks". The nature and duration of the risk was clearly understood, but as far as possible he had in view also certain corrective measures to be taken, should initial results show that matters were turning out differently. All this was made possible by implicit trust placed in him and in the Chief Engineer by the highest authorities. It was the climate of trust, which was the largest single factor that made the timely completion of the project possible. This is a matter of some significance at a time when we are engaged in an attempt to improve the working of the entire administrative machine.

Mention should also be made here of the way ideas and suggestions flowed from all quarters to make the project a grand success. The engineers on the spot took special care to consider the suggestions put forward by the subordinate personnel working under them. At the level of the Committee, the views of the engineers and technicians were fully respected in arriving at final decisions on technical matters. Sometimes the technicians produced excellent ideas even on non-technical problems. For example, when the arrangements for simultaneous interpretation of the speeches were being considered, one of the young

engineers suggested that as the UNESCO Conference was being held in India, a Hindi translation of the proceedings should also be put on the air along with the other recognized international languages. Again, when dealing with the question of how many telephones should be installed, it was a technical officer who suggested that there should be a direct link with the Rashtrapati Bhavan so that the President could comfortably listen to the debates of the UNESCO Conference from his residence. In cases of this type no one would have blamed the engineers if they had contented themselves with the customary attitude ; it is for the customer to notify his requirements.

#### IV

The successful construction of Vigyan Bhavan in a remarkably short time and within the framework of departmental procedures leads to certain obvious but interesting conclusions. *First of all*, this experience has shown that to save time in the long run, one has often initially to go through a period of what appears superficially to be “in-action”—a period of time when the administrator must necessarily be exercising his mind on some kind of job-analysis, pre-planning, selection of the right type of human material and a rough financial appraisal. Some kind of “drill” must be laid down, however rough it may be, and some provision must be made for a kind of periodical check-up, so that any tendency for things to go wrong is curbed in time. *Secondly*, there is great need and a high opportunity for the top civil servants—who must be leaders of administration—to build, within their organisation, mental attitudes of trust, quick decisions and willingness to give and take responsibility. Without these, the present system of checks and balances is likely to defeat its purpose. *Thirdly*, all Government servants, especially administrators, should have a “right” to commit a few mistakes and accept a few “calculated” risks if worthwhile results are to be speedily achieved. So long as the mistakes are *bona fide* and are not due to lack of pre-planning or failure on the part of a Government servant to apply his mind, a reasonable view should be taken by all concerned in dealing with such mistakes.

Thus, there is considerable scope for improvement of performance within the framework of the present organisational structure and departmental procedures. If the engineers and administrators apply themselves, to the completion of a project, with a boldness of imagination and a sustained enthusiasm, quick and effective results can be achieved even under the now existing circumstances. Organisational structure and work procedures are

always static; even if overhauled, in the dynamic society of today they soon lag behind. Quick decisions and speedy execution depend, therefore, largely on the attitude with which the engineers and administrators approach their tasks. That does not in any way undermine the need for a continual O. & M. study for an overhauling of structural arrangements and departmental procedures which is always essential for a larger achievement over a wider field and as a regular feature.

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“The strength of a coordinated programme of development lies in the quality of the specialised services which are brought together. Co-ordination should therefore be so organised as to bring out the best in the specialist. This involves a clear appreciation of the responsibilities of technical departments at each level in the scheme of operations, and a proper recognition of their contribution to the common programme.”

*(From ‘Second Five Year Plan’)*



# THE ADMINISTRATIVE PERSONNEL IN INDIA

P. Prabhakar Rao & P. C. Suri

THE forces of Development, Socialism and Democracy today present a creative challenge to the administrative personnel in India—a challenge which cannot be successfully met by *ad hoc* or piecemeal reforms. The administrative organization and practices in India inherited on the attainment of Independence were largely the result of the historical evolution during the last three hundred years or so. Three recent developments—Partition, Post-War adjustments, and Five Year Plans—have led to a great deal of concentrated thinking and reform in regard to the problems of organisation and also to an extent in regard to methods. In the field of personnel, however, thinking and practices lag behind. Here, the need for long-range planning, reorientation of structure, recruitment and training policies has now become imperative in the face of the increasing expansion and complexity of governmental functions and also in view of the desirability of converting the bureaucratic administration into a dynamic democratic administration which would adequately serve the requirements of a socialist pattern of society. The present article deals only with one aspect of long-term planning and reorganisation of the administrative machine, i.e. structure, recruitment, training and building up of administrative personnel possessing the requisite capacities, skills and attitudes.

The principal tasks in the field of planning for, and development of, personnel, under the second five year plan, have been stated to be : (a) integrity; (b) continuously assessing the requirements of personnel in relation to the tasks to be undertaken, organising large-scale training programmes in all fields, and mobilising the available training resources; and (c) building up administrative and technical cadres and providing incentives and *opportunities for creative service*\*. It has been further suggested that the requirements of personnel should be viewed over a sufficiently long period, say, ten years. The plan also refers to the arrangements at present under way for the constitution of an Industrial Management Pool, and to the advantages which would accrue from building up of permanent cadres for specialised technical posts, and joint development cadres or other cooperative arrangements between the Centre and the States. The success of the second and future five year plans is dependent upon the extent to which the

\* Second Five-Year Plan, p. 127.

arrangements in regard to service "cadres" secure integrity, creativeness and incentives adequate to the three challenges of development, socialism and democracy. The function of creativeness is to provide dynamism; of incentives, the urge for increasing efficiency in administration; building up of personnel will serve both these ends.

The *traditional* concept of the neutrality of the civil services is well known. According to it, the sole task of the administration is to carry out the objectives and the policies set out by the party in power; as between 'ends', the administration is always to maintain a strict neutrality; it has to confine itself to 'means' only. There is, however, one major difference between countries where the democratic political structure was established as a process of evolution and the countries where the democratic set-up has been established on securing political independence and where the Constitution prescribes the 'ends'. In the latter, the role of the public administration and the public services does not remain neutral in regard to 'ends' either. The public services in India are pledged to subserve the 'ends' enjoined in the Constitution. The administrative personnel required to implement a socialist programme in a democratic state must naturally have certain attitudes and skills which are basically different from those called for in the case of the administrative personnel of a totalitarian state. Some skills which are essentially fundamental would be common, such as the ability to think and express oneself clearly and logically; a knowledge of the practical applications of economics and other social sciences; general managerial ability; and imagination and foresight. But there are other skills which are particular to the implementation of a socialist programme in a democratic state. These include an appreciation of democratic values; training and experience of working through democratic processes; skill and endurance in handling of group discussions and in the crystallisation of group thoughts and decisions; a capacity to integrate different points of view, i.e. need for cultivating an attitude of open-mindedness for views different from one's own; initiative and enterprise to push ahead in the face of the seemingly slow-moving democratic machine; a new sense of social responsibility to supplement material incentives; skill to evoke a sense of social purpose among officials and to win the co-operation and participation of the non-official elements; and finally, ability to raise the skill and administrative capacities of the people through leadership, training and proper organisation.

In an egalitarian society of tomorrow wherein ministers, legislators, leaders of business and industry, social workers, people and civil servants have to function together as a team fruitfully, it is essential

that they should possess the right attitudes as well as adequate capacities and abilities, a code of behaviour acceptable to society and a spirit of service in order to be able to meet the challenge of the self-generating dynamic socialist society. A most challenging development in the administration is its growing complexity, variety and scale of operations. In order to match up to this challenge, it becomes necessary to develop a dynamic attitude to self-development; to make arrangements and opportunities for building up new skills and new capacities for manning new functions; and to create the atmosphere for securing initiative and enterprise. Basically, the character of services has become more and more managerial and 'business efficiency' should be the aim even of normal administration. It is in this context that certain suggestions for reorientation of the present structure and of methods and policies concerning recruitment, training and building up of personnel are discussed below :

## II

The existing policies and practices in regard to recruitment and promotion are inherently conservative. On the one hand, the present design of the structure of the I.A.S. and other higher services is leading to an 'over-saturation' of incentives ; on the other, there exist inadequate opportunities for promotion from below ; nor is the base for 'selection' sufficiently broad. The personnel at the lower levels generally do not have the necessary incentives to improve their performance as promotions to the state and central cadres of the civil and secretariat services are not open to the extent they should be to the members of the junior services and personnel of other junior cadres like the developmental personnel in the Community Projects and N.E.S., or the various *ad hoc* cadres like those of Research Officers in the Central Government. There have been no significant changes, either in the structure or in the methods of recruitment in many of these cadres except to the extent that the top posts at the Centre are now open not only to the officers of the I.C.S. and the I.A.S. but also to those of the Central Secretariat and Central Field Services, but this development has in no way basically altered the situation in regard to 'incentives' in the lower and middle rungs of the hierarchies.

The process of recruitment by open competition is intended to secure for the services their due share of the 'cream' of students from universities. The U.P.S.C. has recently expressed concern over the growing deterioration in the standards of performance of candidates appearing at public competitive examinations. In this

context, the following statistics of marks obtained by the candidates who were offered appointment to the I.A.S. from 1948 to 1954 may be of particular interest :

Year	Number offered appointment	Number who secured marks		
		more than 60%	between 55-60%	between 50-55%
1948	21	8	13	..
1949	34	6	17	11
1950	29	4	25	..
1951	38	6	19	13
1952	52	4	21	27
1953	42	3	15	34
1954	49	2	14	22

The lowering of performance standard in competitive examinations may be a consequence of the deterioration in university standards and not of individuals. In spite of the far greater opportunities open to the present generation, the level of intellectual discipline, initiative and assimilated knowledge at universities has gone down in recent years.

Even in matter of numbers, the present strength of senior personnel is inadequate to meet our needs. Planning for the recruitment of personnel in general, and for the I.A.S., the Central Accounts Services and Central Secretariat Service in particular, has been on a conservative basis, with the result that it became necessary to organise special *ad hoc* recruitment to at least two of these services for a second time within eight years of the first emergency recruitment, and to revise the sanctioned cadre-strength of the I.A.S. at short intervals of a year or two. The Accounts Services are experiencing an acute shortage of experienced personnel at the higher levels.

An analysis of the strength of the state civil services shows that before the recent reorganisation of States the number of State civil servants per district ranged from 1.5 in Rajasthan to 18-19 in Punjab and Bihar. The table opposite gives the comparative statistics of density of population, the strength of State civil servants, and the number of persons served by one State civil servant.

The above data, however, is in no way conclusive. The strength of the senior State civil servants in an area cannot obviously be based on considerations of area or population alone; it has normally to take

TABLE No. 1

## DISTRIBUTION OF STATE CIVIL SERVANTS

States* (Classified by density of population)	Strength of State Civil Service (Executive)	Strength of State Junior Civil Services	Population served by one State civil servant
<i>Group A</i>			
Travancore-Cochin	200	not available (N.A.)	} 45,000 to 1 lakh
West Bengal	228	318	
<i>Group B</i>			
Bihar	378	742	} one lakh to 2.5 lakhs
U.P.	432	N.A.	
Madras including Andhra	299	651	
<i>Group C</i>			
Pepsu	34	N.A.	} 51,000 to 3 lakhs
Punjab	235	238	
Bombay	125	372	
Mysore	138	100	
<i>Group D</i>			
Orissa	138	N.A.	} 58,000 to 2.7 lakhs
Hyderabad	67	278	
Saurashtra	81	101	
Assam	140	140	
Madhya Bharat	112	250	
Madhya Pradesh	85	N.A.	} 4 lakhs
<i>Group E</i>			
Rajasthan	38	N.A.	

\*Figures in brackets show density of population per square mile.

into account the real needs of the area, in the context of its stage of development, together with its actual and potential contribution to the State revenues and general prosperity as a whole. Nevertheless the present arrangements in regard to staffing of the services are uneven and there is need for a uniform, though flexible, approach to recruitment policies and practices. On the other hand, the distribution of the I.A.S. in terms of number of officers per district and in relation to key-posts is, on the whole, more or less uniform (vide Table No. 2 opposite).

### III

Another outcome of the exclusive-hierarchical approach to the planning and staffing of the various cadres has been the emergence of an imbalance between age and incentives. The case of the I.C.S. serves as an illustration in point. Its strength at present is 248. According to a tentative estimate, there are about 66 openings at the pay-level of Secretary/Additional Secretary in the Central Government. These top positions are, under the present arrangements, mainly manned by the I.C.S. officers. Some of the other I.C.S. officers who are already joint secretaries or occupy equivalent posts have still another 15 to 18 years of service to go. An analysis of the retirement position shows that even in 1972, i.e. 15 years hence, all the 66 top-posts may, on the whole, still remain with the I.C.S. officers unless the openings at that level increase. During this period, about 472 I.A.S. officers would have retired without having reached the top levels. As a result, it is very likely that the middle group of the I.A.S. will become stratified. Although the reasons for such a situation are partly historical, it is not desirable that such stratification should set in, in so large a number, in that very service which the architects of free India and of its Constitution established as an executive instrument for the realization of the national goal of a welfare state.

The over-saturation of incentives referred to above is the result mainly of : (a) the partition of the country and the disappearance of the British element in Services consequent on the attainment of Independence; (b) the superannuation rules which give the officers of the I.C.S. a longer tenure; (c) under-estimation of the future needs of senior personnel; and (d) imbalanced structure and method of recruitment.

For instance, the 1954 I.A.S. structure was conceived on the basis of 1200 recruits through open competition out of a total strength of 1541. Its strength now is 1672. On the basis

TABLE No. 2

## Distribution of I.A.S. Officers in the States

(Before re-organisation)

Sl. No.	Name of the States	Density of Population per sq. mile	No. of I.A.S. per District	One I.A.S. officer serving population of (in thousands)	One I.A.S. officer serving the area of (in thousand) . miles
1.	Travancore-Cochin	1015	5	400	0.40
2.	West Bengal	808	7	230	0.30
3.	Bihar	572	4.5	500	0.78
4.	Uttar Pradesh	557	3	390	0.76
5.	Madras (including Andhra)	453	7	320	0.71
6.	Pepsu	347	3	130	0.43
7.	Punjab	338	4	240	0.75
8.	Bombay	323	4	360	1.1
9.	Mysore	296	5	200	0.64
10.	Orissa	244	4.5	220	0.96
11.	Hyderabad	227	4	200	0.92
12.	Saurashtra	193	4	180	0.95
13.	Assam	176	2	270	2.3
14.	Madhya Bharat	171	3	130	0.86
15.	Madhya Pradesh	163	4	250	1.5
16.	Vindhya Pradesh	151	4	100	0.79
17.	Rajasthan	117	3.5	170	1.5

of an average service-span of 30 years, including 5 years on the top grade (at the pay-scale of Secretary/Additional Secretary in the Central Government), each direct recruit will have a fair chance of reaching the top level if there were 50 retirements every year on an average; in fact, these are over 60. As mentioned above, the next 15 years will see a retirement of about 190 I.C.S. and another 472 I.A.S. Officers. The over-saturation of incentives to the I.A.S. group recruited directly since Independence becomes obvious enough.

Is such an over-saturation of incentives wholesome for the development of the personnel? The I.A.S. personnel are being taken away in large numbers from field posts and are being put on the Secretariat jobs, before they develop the necessary breadth of outlook and maturity of administrative insight into the complex problems that Government faces today.

The present imbalance in the distribution of personnel needs to be restored by a proper scheme of redistribution and also by providing greater opportunities, for renewal of contacts with district administration (including development work), to officers who have for too long been accustomed to taking decisions not well co-related to circumstances in the 'field'. A short-term solution of the problem would be the movement of the top personnel into new fields of entrepreneurial activities which the State is embarking upon. This would obviously necessitate the development of new entrepreneurial skills on the part of such personnel, and would also incidentally reduce somewhat the corroding influence of routine working. A judicious induction of senior I.A.S. personnel too into public enterprises will provide these enterprises with personnel of varying talents, backgrounds and experiences and make for a more balanced and smoother functioning. In the entrepreneurial field one has to constantly experiment with newer and better methods of execution; this is all the more necessary in a mixed economy under a democratic order.

The final solution, however, of the present problems of over-saturation of incentives at certain levels, as also of other ills in the field of personnel, lies in long-range planning of the structure, recruitment policies and training methods. The aim of planning of administrative personnel should be to anticipate and prepare a reservoir for meeting the requirements of the future. It takes 10 to 15 years to build up an executive. The planning of administrative cadres should secure balanced age grouping and correct the present imbalance in regard to age and incentives. What is needed is not a conservative estimation



and expansion of the cadres, but planning for and staffing of all categories of services liberally on the basis of the needs during the next 20 to 30 years.

#### IV

Side by side with the over-saturation of incentives for the I.C.S. and direct recruits to the I.A.S. there has been a singular inadequacy of similar incentives at the lower levels of the administrative hierarchy, both in the Central and the State Governments. The absence of these incentives has reacted unfavourably not only on the quality of performance but also on the attitudes of the civil servants towards the ordinary public. The present system of direct recruitment through a public competitive examination requires an expensive education in early years which only the "better-placed" persons can afford. The existing arrangements offer less opportunities to those who cannot afford this early education but afterwards make good their way. As a consequence, the great majority of public servants have nothing much to look forward to.

In a country where the levels of education and general awareness, are comparatively low and where opportunities for liberal education are restricted, a levelling up of standards is a pre-requisite for finding the personnel of the right calibre at the time of initial recruitment, in large numbers, to the lower formations of the administrative machinery. Yet, by subsequent training, by provision of opportunities for talents to show up and for shouldering of increased and tougher responsibilities, it should be possible to *develop* the personnel substantially and to allow those of proved competence and merit to come into the front line of the services.

It should be the responsibility of a democratic socialist government to provide for a structure in which the lowest in the rung of official hierarchy can rise up to the highest positions, and also ensure by periodical reviews that this vertical movement does, in fact, take place. Considered from this aspect, the present arrangements are not very satisfactory. A basic change is needed in the promotion policy. The primary object of promotion should be not to provide personal rewards for good routine performance but to provide over a long period of time opportunities for making special contributions to the tasks undertaken. While a small percentage may be fixed to provide for personal reward for long service rendered, (i.e. through seniority), as recommended in the Second Five Year Plan "liberal opportunities for promotion should be afforded to the best among the personnel of the State Services".

In this context the experience of the United Kingdom may be of some interest. In the United Kingdom, the need for promotion from the lower to the higher division was recognised as early as 1873 but was continuously stalled for about six decades in spite of the recommendations of various commissions. The main arguments generally advanced against promotions from the lower cadres were : (1) The work at the higher level required certain level of intellectual discipline and training. If the intellectual level of its civil servants was lowered, the State would suffer badly; (2) The character of the work in the inferior grades was not calculated to develop high capacity; and service in the second division, on routine work for a period of time, far from brightening a man's wit and intellect, was likely to stunt the growth of ability; and (3) Promoted lower grade men would not have the requisite flexibility of mind. Those coming in through direct examination were found to be more adaptable. In favour of promotions from below, it was contended that : (1) A selected lower-grade man was as good as the best (of the first division) in regard to personality, the force of character, power of command and width of outlook; and he generally knew the office and its real business better than the officer of a higher division; (2) In order to stop stunting of the growth of talented recruits in the lower formations, promotions should take place before the deadening influence of mechanical activity had gone too far. The potential selected men in lower divisions could be tested by giving them more adequate responsibilities and executive tasks. Further, they should be provided with adequate opportunities for improving their qualifications.

It would also be of interest to know that, in Australia, the entire recruitment to the top administrative services, and in France, half of it, is by promotion. In the U.S.A., the second Hoover Commission has strongly recommended the establishment of a Senior Civil Service by the process of selection from the serving personnel of all the departments and agencies on the basis solely of demonstrated competence and integrity.

## V

There are two additional reasons for providing for vertical mobility all along the line of the hierarchy and on a wider base : (1) the need for fitting the 'development' personnel into the 'regular' administrative structure; and (2) the desirability of raising the general level of executive ability and talent.

In the States, in India, during the last ten years or so, an important development in the field of administration has been the emergence

of two new levels of initiative in the administration, especially at the sub-divisional and block levels. The block development officer's role is essentially that of a middle-level executive. It is a creative, constructive role and involves coordination between four or five types of experts, coordination of the resources of the people and the governments, building up of the people's leaders in the rural areas; and responsibility for execution of a programme of work involving a large number of variable factors. The nature of the assignment is primarily entrepreneurial and in the present stage of development this role is likely to remain dynamic for another two decades at least.

The development work at the levels of the block and the sub-division affords effective opportunities, and a real testing ground, for the exercise of initiative, enterprise and other executive abilities as well as for the development of democratic attitudes of carrying out the administrative tasks with the active cooperation and participation of the people. It is accordingly important that the young bright elements in the development administration, as also in the junior state services, should find a way into the junior ranks of the higher administrative services by means of a restricted examination. The main object should be to enrich the higher administrative services of the country with 'better-tested' human material and broaden the base of recruitment to these services. The induction of the junior elements from the lower levels of the state services, and from the developmental administration, is essential for another reason too—for developing an emotional integrity and unity among the administrative personnel, of the country, as a whole.

The development administration provides an excellent base for the development of executive capacity. The emphasis in the training so far has been either on general basic subjects like law, the humanities, economics or on other departmental subjects like accounts, financial rules, etc. The time allotted to the new experimental fields of development is almost nominal. Contact with the work of a Village Level Worker or a Block Development Officer for a few weeks, as at present, for the trainees in some services, does not help to develop in them the capacity and attitudes of a competent executive who is later to become "the general manager of development" of a sub-division or a district. Therefore, it is essential that the direct recruits both for I.A.S. and the State Civil Services should be adequately tested at the Block level.

The main function of an executive development programme is to develop administrative ability over and above the professional,

vocational or technical proficiency. Administrative ability, in simple terms, means the capacity :\*

- to understand and direct the work of others,
- to accept responsibility,
- to exercise good judgment in making difficult decisions;  
and
- to give confidence to others in trying circumstances.

In addition to developing these essentially personal qualities and perfecting the skills that make them effective, the administrators need to understand the context in which they work, i.e.

- the larger organisation of which their unit may be a part, and
- its place in the Government and society as a whole.

They need to be able to :

- dovetail the work of their organizations with that of other organizations as well as
- to get good teamwork within their circle.

They need to learn the attitudes and habits of horizontal co-ordination.”

The process of building up middle-level administrators has been rightly summed up by Col. Urwick as follows :

“It is what men learn in the job and on the job that makes or mars them. Only by the progressive accumulation of a series of working experience of the right kind in the right order under the right kind of supervision, can the individual hope to attain the maturity of mind and personality necessary if he is to sustain major responsibilities”.

It is generally conceded that the administrative personnel in India are not ‘action-minded’. The role of administrative and even technical personnel in dynamic administration is becoming increasingly more and more managerial. It is not enough, therefore, that the civil servants should be enabled to secure experience in varied positions of responsibility. They

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\* U.S.A., Task Force report on Personnel and Civil Service (Commission on Organisation of the Executive Branch of the Government), 1955, pp. 67-68.

have to be built up as leaders for creating and maintaining a tradition of change—adequate to the needs of a planned, dynamic, social and economic development. It is, therefore, desirable that, at an appropriate stage, administrative personnel of all levels should learn and acquire experience in regard to practices of business administration. It might be emphasised that at least in four fields, i.e. building up personnel, evolving an organisational system which provides for strong central control side by side with operational freedom, measurement of performance and perspective planning, the public services have to learn a great deal from large-scale or giant-scale business administrations. Basically, such enterprises secured this lead under two types of pressures : (a) the fear of failure in competition, and (b) the challenge of growth. The administration of today is equally under both these pressures and its personnel have got, therefore, to be properly equipped to meet them successfully.

## VI

The above is obviously not a complete appraisal of the current recruitment and promotion policies. Among the many important matters which have been purposely left out are : the insistence upon the degree requirement for entry into the public services; the lowering of educational standards at the competitive examinations; lateral recruitment at higher age levels; horizontal mobility between the different hierarchical structures of various grades; the increasing importance of 'technical' services in the country's developing economy; the preservation of 'integrity' in the services, especially against the corroding political influences; the inadequacy of pay scales and allowances, etc. These matters are important enough, but they must be viewed within the broad context of the overall requirements of administrative personnel of all categories over the next 15 to 30 years; and unless the long range perspective is constantly kept in view, it would be difficult to solve effectively any of the personnel problems individually. And in planning on a long-term basis, one cannot afford to ignore the need for developing new skills and attitudes in administrative personnel in the face of the ultimate national goal of a democratic socialist society, nor the necessity of opening up promotion opportunities at *all* levels of the hierarchy and of imparting a sense of dynamism to the lower and middle levels of personnel. These are some of the important requirements for re-organising the present structure and staffing arrangements of the public services with a view to attaining a balance between the forces of continuity and change.

## ASSESSING CLERICAL MAN-POWER IN GOVERNMENT OFFICES

*A. C. Banerjee*

**T**HERE is a widespread belief among the lay public that Government offices are usually overstaffed. Intrinsically, however, the question of assessing clerical man-power in Government offices is a technical one, and external criticism on this matter is likely to be uninformed and, therefore, inaccurate. Some localised overstaffing may, from time to time, occur in most Government offices; but this is only natural in case of any big organisation and merely underlines the necessity for a continuing 'O & M' study to deal with such a frictional maladjustment.

The actual method of assessing clerical man-power in Government offices may vary from Government to Government and from time to time in India. The general tendency has been to try to lay down a uniform standard for this purpose, but actually it is very difficult to prescribe a fool-proof yardstick which would satisfy the requirements of all types of Government organisations for all times.

A rough and ready yardstick was suggested as early as 1938 by Mr. L.A. Chapman, I.C.S., who had been appointed as an Officer on Special Duty by the then Government of Bengal to examine the establishment of the Secretariat Departments of that province. Considering that a file might deal with a subject of complicated nature or of a simple and routine nature, he divided the files into two categories—'complicated' and 'non-complicated'. This yardstick was, however, not accepted by the Government of Bengal because the nature and the amount of work that went into a file was liable to vary widely. A file might be opened or closed on the same day, or might drag along for years; its life depended to a considerable extent on the individual preference of head of the office or a convention in a particular department. The proposed yardstick for assessing requirements of clerical staff based on a two-fold classification of files was obviously too unreal to be accepted.

An alternative attempt was, therefore, made to prescribe a yardstick based on the volume of 'correspondence' work, i. e. statistics of 'receipts' and 'issues'. For this purpose, the Government offices in the provinces were classified into several categories of descending importance, such as Departments (where policies are laid down),

Directorates, and Regional/District offices (where policies are executed). For Secretariat Departments, the present yardstick is 2,000 'receipts' and 'issues' per annum per dealing assistant, with separate provision for (i) head assistants, (ii) typists, and (iii) reference and routine assistants. The same yardstick is applicable in the case of clerks of 'Directorate' offices except that there is no separate provision for reference and routine clerks. Finally, for Regional/District offices, the present yardstick is 4,000 'receipts' and 'issues' per annum per dealing clerk, and separate provision is made for supervisory and typing staff, but no staff for reference or routine work is allowed.

At the Centre, a standard work-load for assistants, in terms of 'receipts' was first attempted in 1940 following the reorganisation of the ministerial establishment in the Secretariat Departments on the lines recommended in the Maxwell Report. The number of assistants in a 'noting' section was fixed at the rate of one assistant for every 1,000 'receipts' per annum. During the last world war, this number was increased to 1,300 'receipts' per annum for sections dealing primarily with 'war work' which involved less elaborate noting.

The standard was again revised in 1952. A yardstick of 1,500 'receipts' per annum was prescribed per dealing assistant; a figure of 1,250 'receipts' was, however, fixed in respect of sections dealing with financial and service matters like pay, pension, leave and other conditions of service.

## II

The statistical yardstick of 'receipts' and 'issues' has served well as a rough and ready working basis for determining staff requirements of clerical personnel; but the system is neither comprehensive enough nor fully scientific; it is hedged in by a number of serious limitations. This system has been recently given up by the Central Government, but it is still in operation in West Bengal. As a result of the extension of government activities to newer and wider fields after Independence, the nature of work to be done has undergone a radical change and differs from Ministry to Ministry and even from section to section within a Ministry much more widely now than ever before. The main drawbacks of the statistical yardstick of 'receipts' and 'issues' in the context of the changed circumstances are :

*Firstly*, the yardstick of 'receipts', though less variable than the one based on a two-fold classification of files, makes no allowance for

variations in the nature and complexity of work in different offices. It can, therefore, be valid and reliable mostly for repetitive and mechanical types of work; its application in other cases would be like prescribing one medicine for all patients of the different wards of a hospital without ascertaining their individual complaints.

*Secondly*, a yardstick based on only figures of 'receipts' and 'issues' is not comprehensive enough to cover all the types of work done in government offices. It leaves out many important items of work which are specially related to the working of a parliamentary democracy, such as meetings of committees and conferences, publicity, and statistical returns. Certain items of work in almost all offices are not by their very nature reflected in figures of 'receipts' and 'issues'. These include accounts and bill-work, scrutiny of applications, preparation of budget estimates, statistical compilation and survey, classification and cataloguing, etc.

*Thirdly*, a uniform yardstick rests on the presumption that all clerks have a uniform standard of efficiency and, therefore, their output should also conform to a common prescribed standard. The staff requirements could thus be covered in all departments simply by dividing the volume of work expressed in terms of correspondence figures by the accepted average speed of output. This presumption is, however, fallacious in that the speed of disposal of work depends mainly upon training and experience and both of these obviously vary from individual to individual.

In the *fourth* place, there is hardly any justification to prescribe different yardsticks in terms of correspondence figures for different types of Government offices. The present classification of Government offices—Secretariat departments, attached offices and subordinate offices in the case of Central Government; and Secretariat departments, 'Directorates' and Regional/District offices in States—is based on the presumption that the work in the lower offices is inferior to that in the immediate higher offices. Qualifications for recruitment of clerks to the three types of offices also sometimes vary on the presumption that clerks of lower calibre are required for attached offices or Regional/District offices than for departments and attached offices or Directorates, respectively. But as the statistical yardstick of 'receipts' and 'issues' is based on the concept that staff requirements can be measured simply by the volume of work divided by a common speed of output, how can we expect a greater speed of output from clerks of inferior qualification and lower scales of pay employed in the offices of lower categories?



In the *fifth* place, even within its limited sphere of application, the statistical yardstick of 'receipts' and 'issues' has to be applied with adequate safeguards with a view to avoiding computation mistakes, and inflation of 'receipts' or 'issues' figures by inclusion of communications of a routine or standardised nature.

*Finally*, the speed of output of work does not depend only on the nature of its contents and the degree of its complexity but also on the organizational structure, working procedures of the office or departments and the level of the morale of its staff. A yardstick based on correspondence figures may at best serve only as corroborative check on the results obtained by an O & M study on staffing of office or department.

Realising, that as conditions in different departments differed, the statistical yardstick could not invariably be taken as an absolute guide, and in actual practice *ad hoc* allowances had often to be made for various other considerations, the Central Government have come to hold a view that "except for certain repetitive and mechanical types of work such as diarising, typing, despatch, etc., it would be futile to make an attempt to work out a common yardstick for all Ministries, as any scale, which failed to take into account the nature of work and the circumstances under which such work was done in an individual Ministry or Section in a Ministry, would be far from realistic and would only lead to wrong conclusions". They have accordingly evolved a new method which primarily consists of a detailed examination of the work-load of an office or section. In the final determination of the strength, the Under Secretary (Establishment), the O & M Officer and the Attached Financial Adviser of the Department, all have a voice in the matter. 'The control measures introduced by the O & M Division, e.g. monthly statistical returns of receipts and disposals, weekly statement of Assistants' work, detailed scrutiny of arrear statements, and the periodical inspections, etc. now furnish a more reliable and objective data for computing staff requirements of individual sections'. The maintenance of *pro forma* dossiers for each Section, which gives full information about the state of work at any time, has been found very useful in assessing staff requirements.

### III

In the advanced countries of the West, in matters of determining staff requirements on a scientific basis, private enterprises have stolen a march over public administrations. A scientific and comprehensive system of assessing requirements of personnel is the one which is based

on 'work study'. Although 'work study' is specially applied in mechanical and engineering operations, it has also been found useful for measuring certain types of standardised clerical work. A yardstick evolved as a result of 'work study' is not only more scientific in that it takes into account all the relevant factors including improvements in work methods and procedures, but it also helps to harness the co-operation of both the supervisory personnel and the rank and file of workers as they can no longer complain that their case has been disposed of arbitrarily without a fuller examination. The 'work study' method enables the department or office to claim additional staff in right time; the department has not to wait for it until arrears of work have accumulated. The 'work study' system obviously is more suited for the administrative machine of a developing economy. The 'correspondence audit', on the other hand, looks back to the past, instead of anticipating needs of the future performance.

The application of techniques of 'work study' for determining clerical staff requirements is circumscribed by many factors, such as the structure and size of an organisation, the scale of operations, the nature, methods and procedures of work and the climate of human relations in the organisation. The 'work study' may accordingly be detailed or simple, depending upon the circumstances of a particular case. Again it may be carried out by one organisation, or its different aspects may be entrusted to different organisations. Its results may again be supplemented by other types of studies.

In the United Kingdom, the work of staff survey done by Staff Inspectors is generally closely allied to the work of Organisation & Methods Section of the Ministry concerned. Work measurement there is studied from the points of view of 'inspection of work', 'staff inspection' and 'work study'. Changes in organisation and office procedures invariably have their effect on the number and grading of staff. On the other hand, important economies in staff can be effected by improving the procedures. Most 'O & M' Reports contain some remarks about the number of staff; and the Staff Inspectors have often to say something about simplifying the clerical procedure. The two functions are, therefore, closely related and, to a certain extent, overlapping. In fact, staff inspection and O & M study come so close that they should collaborate in establishing standards that are not only thought to be correct, but, by reference to the work measurements already made, could be proved to be correct.

To an extent, yardsticks based on figures of correspondence partake the nature of 'work study' in that these are really based on a calculation of the approximate time required by a clerk of average ability

to dispose of a 'receipt' of a particular type. Thus, under the present yardstick applicable to the Secretariat Departments in West Bengal, an assistant is expected to deal with 5 receipts and 2.5 issues per day, with 260 working days in a year. Again, certain yardsticks based generally on the principles of 'work study' have actually been prescribed by the O & M Division of the West Bengal Government for items of work such as preparation of bills of pay, travelling allowance and contingency expenditure.

The Special Reorganisation Unit of the Ministry of Finance, which has been assigned the task of reviewing staff requirements of the Central Ministries and of recommending other measures considered necessary to secure efficiency and economy, has recently used 'work study' techniques successfully to determine standards of performance in the Income-tax Department and in the office of the Directorate-General of Supplies & Disposals. According to this Unit, the 'work study' comprises : (a) a study of the organisational set-up, delegations, span control of superior officers, etc; (b) analysis of methods of work; (c) a programme of work simplification and standardisation where possible; and (d) evolution of standards of performance and hence staff requirements. Both in the conduct of investigations and fixing of standards of performance, the active cooperation of all concerned has been sought so as to arrive at agreed conclusions. The work of a section is first analysed in detail by means of job description sheets and work analysis charts; the existing procedures and methods of work are then scrutinised thoroughly with a view to their improvement and a new standard of performance is suggested in the light of the proposed reforms in work methods and procedures. The new standards are 'timed' on the basis of the 'times' taken in the past performance, making due allowance for changes in work methods and procedures and for other factors like fatigue. The changes in 'time' are proposed after a thorough discussion with the employees and the supervisory staff. This method of timing new standards of performance has been called 'time synthesis' as the 'time' of a task is made up of the 'times' of the sub-tasks. The strength of the clerical staff is then determined on the basis of the standards of performance.

As the Special Reorganisation Unit gains further experience in the use of techniques of 'work study' to determine standards of performance, it is to be hoped that a series of more scientific and comprehensive yardsticks would be evolved for determining requirements of staff employed on the various types of clerical work. The use of these yardsticks would obviously help in avoiding both overstaffing and understaffing of offices and result in considerable savings. An incidental,

though in no way less important, result of the scientific assessment of staff requirements would be heightening of staff morale. Each of the Government employees would then know the load of work that he is expected to carry out and how. The creation of a more contented clerical force would not only enhance efficiency of work, but also improve the tone of public relations of the office.

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“Nothing challenges men so effectively to improve performance as a job that makes high demands on them. Nothing gives them more pride of workmanship and accomplishment. To focus on the minimum required is always to destroy people’s motivation. To focus on the best that can just be reached by constant effort and ability always builds motivation.”

—PETER F. DRUCKER  
(in *The Practice of Management*)

## EDITORIAL NOTES

In the face of the plans of development, the Administration in India has not only to carry out national policies but also to appreciate the objectives underlying them and the need for their speedy execution. While administrative tasks in certain fields are getting more and more specialised, the need for the generalist-administrator to integrate and coordinate policies and practices remains paramount. In this context, the articles by two veteran administrators—Shri H.M. Patel and Shri D.L. Majumdar—, appearing in this issue, have a special significance.

Shri Krishna Swami's article : "Vigyan Bhawan—A Study in Administrative Organisation" also deserves special notice in that it illustrates how spectacular, speedy and effective results can be achieved even within the existing limitations in regard to departmental procedures and organisation.

The section on 'digest of reports' in this issue has been expanded. With the appointment of 'Correspondents' for the Institute in most of the State Capitals, we hope to publish in the future issues more detailed material on developments in States.

—*Editor*

## NEWS FROM INDIA AND ABROAD

### INDIAN

#### *Re-organisation of Central Ministries*

Simultaneously with the formation of the new Central Cabinet on April 17 after the second general elections, the various Ministries of the Government of India were reorganised as follows : Two existing Ministries—the Ministry of Production and the Ministry of Natural Resources & Scientific Research—were abolished. A new Ministry of Steel, Mines & Fuel was set up; the sphere of the Ministry of Education was enlarged to cover also Scientific Research. The Ministries of Communications & Transport were combined into one, and so also the Ministries of Food & Agriculture. The Ministry of Labour was re-designated as the Ministry of Labour & Employment. The work relating to oil and petroleum products was transferred from the Ministry of Works, Housing & Supply to the new Ministry of Steel, Mines & Fuel.

#### *Enquiry into the Working of Telegraph Service*

The Government of India has appointed a Telegraph Enquiry Committee with Shri Sudhir K. Kanjilal, Deputy Director General, P. & T. Department, as Chairman. The Committee will review the working of the telegraph service in India and make suitable recommendations to improve the efficiency. In addition to examining the technical aspects of the service, the Committee will also scrutinize and recommend necessary modifications in respect of (i) the standards for operative and non-operative staff including supervisory staff; (ii) existing cadres and their classification; (iii) avenues and methods of promotion for the various classes of officials employed in telegraph offices; (iv) training of personnel; (v) incentives; (vi) standards for accommodation and furniture; and (vii) standards for amenities, such as dormitories, canteens, etc. The last review was made by a committee appointed in 1932.

#### *Central Emergency Relief Training Institute*

A Central Institute for providing training in the organisation and techniques of "emergency relief operations" was inaugurated in Nagpur on April 29 by Shri Y.B. Chavan, Chief Minister of Bombay. Organized by the Government of India, the Institute will run five different courses, viz. Emergency Relief Officers' Course; Rescue and Fire-Fighting Course; First Aid, Home Nursing and Public Health Course; Welfare Course; and Senior Officers' Seminar. The duration of each course will be about six weeks. It may be recalled that in December 1955, the Government of India announced its intention to set up a country-wide emergency organisation to render timely assistance to persons affected by natural calamities. A nucleus of the Emergency Relief Organisation has already been set up in the Home Ministry at the Centre and similar organisations are being set up in the States.

### *Jumping of Levels*

In order to avoid the passing of files through too many stages before reaching the decision-making level and to overcome the reluctance on the part of the lower officers to take responsibility, the Central O & M Division has recommended three alternative methods : (1) The work allotted to each Section should be allocated, by sub-headings, separately to the Under Secretary and the Deputy Secretary who will receive the files *direct* from the Section; (2) The Under Secretary should only send such files to Deputy Secretary as can be disposed of finally by the latter; other files which have to go higher up should be sent directly to the Joint Secretary or Secretary; and (3) Certain Sections should be placed in charge of Under Secretaries, and others directly under Deputy Secretaries. It is proposed to try out all the three methods in the Ministry of Home Affairs, on an experimental basis. The principle of level jumping, it is understood, has wholly or partly been adopted by the Ministries of Community Development, Finance (Expenditure), Natural Resources and Scientific Research, Iron and Steel, Law, Production and the Union Public Service Commission.

### *Research in Public Administration during Second-Plan Period*

The Research Programmes Committee (RPC) of the Planning Commission has selected the following three broad categories of subjects for sponsoring research in the field of Politics and Public Administration : (1) Machinery for planning and implementation; (2) Working of village agencies with special reference to public co-operation; and (3) Problems of public administration and parliamentary Control of public enterprises.

Research in these subjects will be undertaken at Indian Universities on the lines approved by the RPC which will also provide all the necessary finance.

### *A New Scheme of Management Studies*

The fifth meeting of the All-India Board of Management Studies was held at Calcutta on May 9-11, under the presidency of Shri Jehangir J. Ghandy. The Board approved a new structure of management studies which would provide training in business, industrial and general management in two stages, intermediate and final. A minimum of two years' practical experience has been prescribed for completing the intermediate course and a minimum of three years' practical experience for the final course. The new structure is based on the concept that training for management is a *process* involving acquisition of both knowledge and practical work. The centres of management studies approved by the Board are the Indian Institute of Technology, Kharagpur; the All-India Institute of Social Welfare and Business Management, Calcutta; the Delhi School of Economics; the Bombay University and Victoria Jubilee Technical Institute, Bombay; Madras University; and the Indian Institute of Science, Bangalore. The Board appointed a four-man committee, consisting of Dr. A. Ramaswami Mudaliar, Prof. V.K.N. Menon, Mr. B.F. Goodchild, and Mr. H.N. Nanjuddiah to visit different centres and explore ways of developing the facilities for the adoption of the new scheme.

*Promotion Avenues for Class IV Railway Employees*

The Government of India has appointed a committee for reviewing the channels of promotion available to class IV staff of the Indian Railways both within that class and in respect of class III service. The Committee will have Shri G. D. Tapase, Labour leader of Bombay, as its chairman and Shri P. M. Narasimhan, Deputy Director, Establishment, Railway Board, as secretary.

*Training Courses for Employment Officers*

A three-month training course on vocational guidance and employment counselling, for Employment Officers drawn from various states, was inaugurated at New Delhi on April 5, by Shri Abid Ali, Union Deputy Minister for Labour. The course was organised under the vocational guidance and employment counselling scheme. This scheme, originally initiated by an I.L.O. expert, is intended to guide young boys, passing out of the school, in the choice of their occupations; to develop a counselling service for adult employment-seekers; and to develop aptitude tests and psychological techniques needed for rendering this service. Special sections to give advice on careers to young persons and employment counselling to adults will be set up at the selected Employment Exchanges during 1957-58. The Directorate of Resettlement and Employment has put out pamphlets indicating venues of employment in different trades.

Another three-week training course for Employment Officers was started at New Delhi on May 3. This is in fulfilment of the Central responsibilities for the training of Employment Officers.

*Higher Pay Scales for Insurance Employees*

The Life Insurance Corporation of India has effected a general upward revision in the pay scales and dearness allowances of its 21,000 clerical and lower grade employees. The new scales have been accepted by the workers' unions. The major changes in the rates are : (1) sixteen thousand clerical staff of the Corporation would get a new single grade starting from Rs. 75 and going up to Rs. 300. Supervisory staff would get a special pay which would be integrated with their basic salary. New entrants would, however, have a grade of Rs. 75 to Rs. 270; (2) the pay scales of Class V employees (lower grade) have been increased by Rs. 5 in addition to an upward revision of the ceilings; (3) dearness allowance has been increased by Rs. 5 for those drawing a basic salary of less than Rs. 51 per month. The allowance will remain the same for other employees; (4) record assistants will get a grade of Rs. 55 to Rs. 180; (5) a new higher assistants' cadre has been introduced with a pay scale of Rs. 140 to Rs. 410; (6) Drivers have been given a grade of Rs. 70 to 115; (and) (7) Liftmen, head peons and watchmen would get an additional pay of Rs. 5 over the class V grade.

*Life Insurance Policies for Low-Income Groups*

To serve the needs of persons of low-income groups, the Life Insurance Corporation of India has decided to issue endowment assurance policies with or without profits popularly known as "Janata policies". Each policy will be for a minimum of Rs. 250 and the maximum cover that



one can take under this type of insurance will be for Rs. 1,000. The term of the policy will be 10, 15, 20 or 25 years, subject however, to maturity-age or premium-ceasing-age not exceeding 60. There will be no medical examination in cases below the age of 35 years and the risk will be covered for the full amount from the outset. Female lives, not observing *purdah*, will also be covered on normal male rates.

### *Minimum Wages for 'Working Journalists'*

The Wage Board for Working Journalists, presided over by Shri H.V. Divatia, has given its award and the Government of India has accepted it with retrospective effect, i.e. from May 2, 1956—the date of the constitution of the Board. Minimum basic wages under the award range between Rs. 90 for a working journalist in a class “E” newspaper establishment to Rs. 1,000 for an editor in a class “A” newspaper establishment; and dearness allowance from Rs. 30 to Rs. 200 and is linked to the all-India cost of living index. The present decisions are to be reviewed by another Wage Board after a period of three years and not later than five years. Matters relating to conveyance, travelling, entertainment, overseas and other allowances have been left to be settled by the process of collective bargaining in view of “paucity of evidence on the subject”. The Board’s recommendations do not cover salary scales and grades of working journalists in fortnightlies and monthlies but the wages to be paid to them should not be less than those in weeklies of their class.

### *Seniority Rights—Not Enforceable in a Court of Law*

The Madras High Court, in reference to a writ petition impugning a Government order which adversely affected the seniority of a Government servant, has declared “notwithstanding that the order adversely affected the interests of the petitioner, in that the seniority which he enjoyed in the years past before that date was seriously interfered with, and this was contrary to the rules, the same could not be relieved by this Court by the issue of a writ of certiorari”. According to the judgment, the violation or infraction of a statutory rule would give rise to a cause for action only if the nature of the infringement brought it within the jurisdiction of the competent court of law. If the violation caused an injury to a right enforceable in a court, say, a right to property or a right to carry on business or trade, the established courts of law would be competent to afford relief.

### *Political Lobbying by Government Servants*

The Government of Madras has amended the Madras Government Servants’ Conduct Rules to provide that “No Government servant shall bring or attempt to bring any political or other outside influence to bear upon any superior authority for furthering his own or any other person’s interests”. Heads of Departments have been requested to bring to the notice of their staff that any violation of the rule, as amended, will be viewed seriously by the Government. The punitive provision for contravention is withholding of promotion either permanently or for such period as the competent authority may determine.

*New Procedure for Re-employment of Government Servants after Superannuation*

The Government of Punjab has revised the procedure for the grant of extension in the service and for re-employment of retired Government servants. The new procedure requires that the 'case' should be submitted to the Chief Secretary three months before the date of the extension or re-employment; and that it should include particulars of age, a medical certificate of fitness, personal file, a statement of terms of re-employment, a copy of the seniority list, a statement of reasons why the officials attaining the age of superannuation previous to the one now proposed were not considered fit for re-employment, and a certificate that the proposed re-employment will not adversely affect the interests of other competent officers of comparable seniority in the department.

## FOREIGN

### 1. IRAN

*Governmental Affairs Institute to Assist in Management Improvement Programme for Iran*

By an agreement entered into between the Government of Iran and the United States Government (represented by the International Co-operation Administration), the Governmental Affairs Institute, Washington D.C., will provide technical assistance to the Plan Organization, the economic development agency of the Government of Iran, in improving its organizational structure and administrative processes. The project will be directed by a Senior Committee which includes Dr. Edward H. Litchfield (Chairman) and Dr. Luther Gulick, President of Governmental Affairs Institute and President of the Institute of Public Administration, New York City. A team of eight full-time project experts will work in Iran, under the direction of Mr. Wilson F. Harwood of the National Science Foundation. Mr. Harwood delivered a lecture at New Delhi on 'Organisation in Government' on the 16th April, 1956, under the auspices of the Indian Institute of Public Administration.

### 2. PAKISTAN

*Permanent Planning Board for Pakistan*

The Government of Pakistan has announced the establishment of a permanent Planning Board with the Prime Minister as the chairman. Its functions include the preparation of future five-year plans of economic and social development and generally to advise the Government on economic policies and problems which have a bearing on development plans. The board will have at least two members besides the chairman.

### 3. UNITED KINGDOM

*Increase in the Salaries of the Higher Civil Servants*

The British Government has decided to implement the recommendations recently made by the Standing Advisory Committee on the Pay of the Higher

Civil Service. These recommendations, effective from 1st April 1956, cover an increase of £100 in salaries between £1,850 and £2,850 ; and of £150 for salaries of £2,850 and above, subject to the limitations that no salaries increase as a result to more than £3,600. These increases in salaries of the Higher Civil Service were recommended by the Committee in view of an increase of 5½% having been already given in the salaries of the rest of the service. The latter had been necessitated by upward changes in rates of pay in comparable occupations outside the civil service.

#### 4. UNITED STATES

##### *Hoover Commissions' Recommendations Result in Savings*

The report of the Citizens Committee for the Hoover Report published on May 20, 1957, revealed that savings of the order of \$2,818 million have accrued from the recommendations of the two Hoover Commissions. These savings are from two broad sources, namely, (i) basic changes in the programmes, and elimination or curtailment of agencies and (ii) improved practices and efficiency.

## INSTITUTE NEWS

### *Third Annual General Meeting*

The Third Annual Meeting of the General Body of the Institute was held on April 6, with *Shri Jawaharlal Nehru*, President of the Institute, in the chair. The meeting passed the annual accounts and adopted the annual report for the year 1956. *Shri Jawaharlal Nehru* was unanimously re-elected as President for the year 1957-58. The meeting was followed by an 'At Home'.

### *Election of Vice-Presidents*

Under the provisions of the Institute's Rules, the term of the following Vice-Presidents, elected in 1956, expired on the 31st March, 1957: (1) *Shri Govind Ballabh Pant*, (2) *Shri H. N. Kunzru*, and (3) *Shri C. D. Deshmukh*. The Executive Council has re-elected *Shri G. B. Pant*, and *Shri H. N. Kunzru*, and elected *Shri T. T. Krishnamachari*, as Vice-Presidents of the Institute for a period of two years. The other three Vice-Presidents for the next two years are *Shri Sri Ram*, *Dr. G. S. Mahajani* and *Shri Gurmukh Nihal Singh*.

### *Co-option to the Executive Council*

*Shri C. D. Deshmukh*, *Shri N. V. Gadgil*, *Shri G. L. Bansal* and *Shri L. P. Singh* have been co-opted to the Executive Council.

### *Conference on 'Recruitment and Training for Public Services'*

The deliberations of the Seminar on 'Recruitment and Training for Public Services', which was held on March 3 (reported in the last issue of the Journal), formed a subject of further discussion at the Annual Conference of the members of the Institute held on the 6th and 7th April. On the 6th, *Shri Govind Ballabh Pant*, Union Minister for Home Affairs, inaugurated the Conference. The session on the 6th was presided over by *Shri C. D. Deshmukh*, Chairman, University Grants Commission, and the meeting on the 7th by *Shri Gurmukh Nihal Singh*, Governor of Rajasthan.

### *Study Group on 'Morale in Public Services'*

A Study Group on 'Morale in Public Services' has been set up at the Headquarters of the Institute with *Prof. J. C. Ghosh*, Member, Planning Commission, as chairman. The first meeting was held on the 24th April.

### *Local Branches at Bangalore and Jaipur*

A local branch of the Institute was inaugurated at Bangalore by *Shri S. Nijalingappa*, Chief Minister of Mysore, on the 3rd April. A local branch has also been set up at Jaipur.

### *Lectures*

*Dr. Hugh Keenleyside*, Director-General of the Technical Assistance Administration of the United Nations, gave a talk on "Technical Assistance

in the field of Public Administration" on April 3. Shri D.L. Mazumdar, I.C.S., Secretary, Department of Company Law Administration, was in the chair. On May 1, Mr. J.A.C. Robertson, Director of Personnel, the United Nations, spoke on "Personnel Administration in the U.N." Shri S. Lall, I.C.S. (retd.), Chairman, Air Transport Council and formerly Assistant Secretary-General, U.N., presided.

#### *Board of Management Studies*

The *Director* attended a meeting of the Board of Management Studies, of the All-India Council for Technical Education, the Institute having been given one of the four seats reserved on the Board for professional bodies. In course of the meeting, he was appointed a member of the four-man committee which will examine the development of the centres of Management Studies.

#### *The 1957 I.I.A.S. Round Table, Opatija*

The 1957 "Round Table" of the International Institute of Administrative Services will be held at Opatija (Yugoslavia) from June 20-25. The subjects for discussion are : (a) Present trends in the transfer of power from greater authorities to lesser authorities separate from them and *vice-versa*; (b) Automation and the relevant programmes in public administrative agencies; and (c) Merit system as applied to the promotion of civil servants with special emphasis on rating. The Institute has decided to send a three-member delegation consisting of : Prof. V.K.N. Menon, Director; Shri S.B. Bapat, Honorary Treasurer, Editor, IJPA, and Joint Secretary, Ministry of Home Affairs, Government of India (if available); and Shri H. C. Mathur, Member of Parliament and a member of the Executive Council of the Institute.

#### *Appointment of Correspondents*

The Institute has appointed 'Correspondents' in eleven States and the six Union Territories for collecting information on the latest developments in the field of public administration. These correspondents will also act as a liaison between the Institute and the State authorities.

## DIGEST OF REPORTS

**PUNJAB: LOCAL GOVERNMENT (URBAN) ENQUIRY COMMITTEE. REPORT.** *Chandigarh, Controller of Printing and Stationery, Punjab, 1957, 86p.*

This Committee was set up by the Government of Punjab in December 1954 with Shri Gurbachan Singh Bajwa, the then Minister for Local Government and Public Works Department, as the chairman. The terms of reference of the Committee were: to enquire into the operations of the existing laws, rules, etc., pertaining to Urban Local Bodies in the State and to recommend amendments thereto with a view to ensuring smooth working of local body administration, fostering of local initiative and enterprise, enlarging the financial autonomy of local bodies and enlisting peoples' voluntary co-operation, as also to consider questions relating to the establishment of a local government directorate. The report of the Committee submitted recently contains several recommendations directed towards making the municipal administration in Punjab, effective, efficient and dynamic. The important among these are as follows:

### (I) General

1. In urban areas, there is great need for setting up dynamic and virile units of Local Government which may be able to provide amenities calculated to promote the well-being of the people. Such arrangements are also a condition precedent to any successful implementation of development plans. The present unsatisfactory functioning of municipal institutions in the Punjab is not entirely due to the nature and quality of membership but, quite often, and, even more, due to the constitutional and structural defects and rather antiquated Government approach.

2. The work of the Local Government Department has been mostly negative. Its activities have been, apart from the routine work, mostly confined to entertaining complaints, considering questions of removal of members and supersession of Committees.

### (II) The State Local Government Department

1. The Local Government Department has no field agency to give the much needed guidance, except, of course, through the Deputy Commissioner. The Deputy Commissioner himself has very little time to play the role of constant adviser or even to help the local bodies in the formulation of their programmes and their implementation. To ensure successful implementation of developmental programmes and works undertaken by the committees, the Local Government Department should, in the absence of any separate agency of their own, constantly maintain liaison with and approach other departments. The inadequacy of the staff, absence of field agency and machinery for co-ordination all act as limitations on the Department's working. More than anything else, there is a necessity for an experienced

and expert agency, which should guide the affairs of local bodies, give them the much needed initiative and recognise the good work.

2. The duties of Department's representatives, and Government policy, should be more clearly defined to avoid existing anomalies and contradictions. The Government should also decide to what extent it will trust the local bodies and also to what extent its various Departments will utilize these agencies. Having taken firm decisions, the local bodies should be fully trusted, assisted and utilized.

3. In order to enable the Local Government Department to secure the co-ordination at the highest level and make the Departments pay adequate attention to the schemes of the local bodies, it is necessary, to set up a statutory State Government Co-ordination Board, with the Minister for Local Government as chairman and representatives of the various departments as members. Similar boards under the chairmanship of the Deputy Commissioner are necessary at the district level.

4. (i) There is an urgent need for the setting up of a Directorate of Local Bodies to direct, supervise and guide the activities of local bodies, both rural and urban. It should be headed by a Director of the rank of a Senior Deputy Commissioner, well versed in the affairs of the local bodies. There should be a Deputy Director at each Divisional level and a District adviser at the headquarters of each District in the State so that the Directorate can function effectively at all levels. In order to avoid concentration of work at the Directorate level, the Deputy Directors should be authorised to correspond directly with the Heads of Departments. (ii) The following duties are envisaged for the Directorate:—

- (a) To supervise generally all affairs of the local bodies and advise the government in the formulation of its policies and programmes relating thereto;
- (b) To ensure due observance of the provisions of municipal law and the statutory rules, orders, etc.;
- (c) To evolve model bye-laws on all subjects and supply standard plans and patterns to the local bodies; and
- (d) To pursue the schemes and development works initiated by the local bodies and removal of difficulties encountered by them.

It is further necessary to give the Director of Local Bodies adequate powers for performance of his functions. The Directorate should function more as an agency for assisting and guiding the affairs of the local bodies. As regards the question of integrating the Local Government Directorate with the Director of Panchayats, some definite advantages in combining the two allied fields of activities at the Director's level but it may not be conducive to any better results. The hands of Director of Panchayats are already full and the activities of this Department will expand rapidly with the ever quickening tempo of the Panchayat Raj. Such integration will not, therefore, be a practical proposition.

5. (i) The local bodies cannot individually afford to engage costly technical staff, much less own the equipment necessary for execution of their works. Wherever the works have been entrusted to Government Departments, in spite of heavy departmental charges paid by local bodies, the preference has always been given to departmental works. There is hardly any agency to review the progress of municipal works imparting to them a sense of urgency. (ii) A Technical Organisation to plan and execute municipal works, such as the one which existed in the former Hyderabad State, is not only desirable but a stark necessity. To enable the organisation to function effectively, the Government should provide initial subsidy on a non-recurring basis for purchase of equipment, transport, tools and plant; but when once it gets going it should entirely depend upon the contributions from local bodies and other agencies merged into it. (iii) The organisation could be made more useful if it could also embrace the 'works' activities of the District Boards, Panchayats, Market Committees and also of National Extension Service Schemes.

### **(III) The Functions and Structure of the Local Bodies**

1. (i) The Union, the State and Local Government bodies must be visualized as a single organic hierarchy of authorities functioning at the local, state and national levels and operating in well defined spheres. At present there is a great deal of over-lapping in the functioning of the state and local, bodies in almost all spheres of activity. In the fields of education, public health, public works, roads etc., the segments of activity of the State and the Municipal Councils should be clearly demarcated in order to avoid over-lapping, involving functioning at cross purposes and giving rise to wasteful expenditure and unplanned development in these fields. The detailed demarcation of functions between the Municipal Councils and the State Government should be finalized after obtaining the views of the relevant Departments.

(ii) As the present law does not give a full and distinct picture, it is most desirable that the sectors of obligatory and non-obligatory functions of municipal bodies should be specifically defined in the Municipal law.

(iii) One of the major activities and responsibilities of Urban local bodies is to ensure environmental hygiene. It is, therefore, very necessary that the Department of Local Government should have very close liaison with the Health Department. It is also desirable and necessary to have a complete Health Service as envisaged under the Model Health Act though it may not be necessary for the State Government to assume direct control to the extent recommended. For administrative purposes the Health Officer, even though appointed by Government, should be under the control of the Chief Officer as is the case with the municipal bodies in Madras.

(iv) All Municipal Committees should be completely relieved of the responsibility of running secondary and high schools. The economic capacity of Municipal Committees being limited, they should be required to restrict their educational activity to primary education. It is a retrograde step to ask the Municipal Bodies to delegate powers of appointment etc.,



of teachers to the Inspectorate of Schools when it is open to the Education Department to prescribe the qualifications and pay-scales of the teachers. As in Madras, the administrative control over teachers and educational institutions may vest in the Chief Officer ; the officers of the Education Department should confine themselves to the inspection of schools.

2. The problem of municipal areas with smaller populations and consequent limited resources are not identical with those more fortunately situated. All municipal areas with a population from 10 to 20 thousand should be treated as Town Councils. The larger bodies may be called City Councils while Municipalities like Amritsar with income exceeding Rs. 50 lakhs should be upgraded to be Corporations. Local bodies should be further classified as follows :—

<i>Corporations</i>		Income exceeding Rs. 50,00,000
<i>Councils</i>	{ Class A	Income over Rs. 15,00,000 to Rs. 50,00,000
	{ Class B	Income over Rs. 5,00,000 to Rs. 15,00,000
	{ Class C	Income over Rs. 2,00,000 to Rs. 5,00,000
	{ Class D	Income below Rs. 2,00,000

Each class should have uniform scales of pay and qualifications for its employees and as far as possible should maintain defined basic standards of service and civic amenities.

3. The main weakness of the office of the President to-day is that existing arrangements give him executive authority only so long as he has a majority vote behind him. The result is that the office of the President has become a pawn in the game of group factions and party intrigues. As to the three alternative institutional arrangements suggested to overcome shortcomings: (i) Direct election of the President will not be conducive to smooth and harmonious working of the municipal government. It is likely to create deadlocks between the President and the members; (ii) The introduction of a Cabinet System in the local bodies, under these circumstances, is beset with serious administrative and political difficulties and does not seem to offer any particular advantage; and (iii) The establishment of Standing Committee of the Municipal Council, the members of which are elected from among the members of the Municipal Council, is beset with all the disadvantages of the plural executive. Unless the Councils are only left with deliberative functions and confine themselves to principles and policy, there is a danger of two parallel bodies functioning side by side. On the whole, Standing Committee should be preferred to a Cabinet System, as our local representatives are not mature enough to handle departmental affairs independently and efficiently. This experiment may be tried in Class 'A' Municipal Committees only where the main bodies are not able to exercise effective supervision over the work of its executive functionary. The arrangements would not suit other local bodies.

4. The procedure governing the removal of the President should be made more rigid, while the present system of removal by a 2/3rds vote should continue. The motion for his removal should be signed by at least 1/3rd of the membership of the council, and it should be required to be first

presented to the Directorate with a copy to the President and if the Directorate after obtaining the comments of the President thereon is satisfied that the removal is urged not on personal reasons and *mala fide* intentions, the motion should be allowed to be admitted in which case the motion as well as the comments of the President shall be placed before a specially convened meeting of the Council.

5. There should be no scope for formation of political parties in the municipal affairs; but if there have to be parties, they should be properly organised on the basis of programmes and policies rather on individuals creating group factions and personal intrigues. The evils of the present system in all categories of local bodies can be minimised, if not altogether eliminated, by restricting the functions and interests of the members including the President to complete policy control, full and overall financial control; and executive control through supervision.

6. Widest authority should be vested in the Municipal Councils and the Government control reduced to the minimum necessary only to be exercised in emergencies and in certain other specified contingencies. Along with it, it appears necessary to give the municipal institutions a strong executive which will be amenable to popular control and can function uninterfered with, guided by considerations of civic good rather than individual gain or party considerations. Here, the pattern of the executive functioning in the municipal bodies as organised in the State of Madras has a good deal to commend itself. The Madras pattern is largely based on the system of Council-Manager system of U.S., with some marked features of the Clerk of County Council of England. As in Madras, therefore, it should be possible for the State local bodies to engage the services of a Chief Officer, drawn from the State Cadre but at the same time working as its employee amenable to popular control. This officer, who is known as Municipal Commissioner in Madras, should have a defined field within which he can function uninterfered with so long as he functions within the four corners of policy laid down and funds voted. The Chief Officer should be removable and liable to suspension by 2/3rd majority of the Municipal Council. He should be liable to surcharge as other municipal employees for defalcations and lax executive control. The members of the Council should have powers of asking questions and interpellations in regard to the action of the Chief Officer.

7. There will be no need to retain the present Punjab Municipal (Executive Officer) Act, which may be repealed. The provision for the institution of the Chief Officer should form an integral part of the new Municipal Act.

8. Adequate delegation of powers will be a great factor in eliminating delays and red-tapism and toning up the efficiency of the internal administrative machine. The guiding principle should be that ordinarily the powers delegated to and exercised by a Municipal Head of an institution or section is not less than similar powers given to an officer of the Government of equal rank.

9. Greater autonomy should be given to local institutions, providing at the same time for certain institutional arrangements which will enable them to discharge the responsibility which goes with greater autonomy. The assumption is that it is only when freedom and initiative are

permitted that the necessary experience will develop and a sense of responsibility will grow. Nevertheless, some degree of overall control, which should more and more take the form of information, guidance and advice should also be laid down.

10. The Committee is divided in its opinion on the retention of the Deputy Commissioner in the hierarchy of controlling authorities. The Commissioner being the Head of the Division, for overall purposes of co-ordination, it would be desirable if he exercises along with the Directorate an overall supervision over the affairs of the local bodies. It is not only desirable but also necessary that whenever possible and whenever he is on tour he should inspect the local bodies and record his observations for the guidance of the district authorities and the local bodies concerned.

11. (i) It is necessary to set up a Local Self-Government Institute on the lines of the Local Government Institute, Bombay. Alternatively Government may set up a Local Government Training School with adequate provision for theoretical and practical training and refresher courses. An institution of this kind could also serve the needs of rural local institutions. By maintaining a close liaison with the Directorate of Local Bodies, the Institution could serve as a laboratory of ideas for the problems of local bodies. (ii) The setting up of a Central Association of Local Bodies will provide the State Government with the much-needed constructive criticism and act as a forum for exchange of ideas between the representatives of local bodies and the Government. Such an organisation already exists in most other States in India and also in other countries.

#### **(IV) The Municipal Public Services**

1. Self-Government must mean good and efficient Government for the people. One of the major problems of Local Government is to ensure that while the services are fully protected against personal motives and vagaries of pressure groups within the municipal frame-work and are assured of reasonable security and service prospects they are of the right calibre and are amenable to popular control.

2. A comprehensive Code on the lines of the C.S.R. (Pb.) should be drawn up and applied to all classes of municipal employees. Municipal employees should enjoy the same security as is enjoyed by Government servants and for this purpose, before any disciplinary action involving reduction in rank or removal is taken against a municipal employee, he should be given adequate opportunity to tender an explanation in his defence. There should be a provision for appeal to the Directorate in consultation with the Local Bodies Services Commission. Model scales of pay for various classes of local bodies' employees should be prescribed for adoption by Municipal Councils. Essential qualifications should be laid down for all categories of municipal officers and servants.

3. (i) The recruitment to all other posts, excepting that of Chief Officer, with a salary above Rs. 60 per mensem but below Rs. 150 per mensem should be made by an appointment committee, and that all appointments carrying a salary up to Rs. 60 should be made by the Chief Officer of the Municipal Council.

(ii) The work which has been entrusted to the Public Service Commission is already too much and in order to afford satisfaction to the municipal and rural bodies and also to ensure that the posts are speedily filled, it is necessary to set up a separate Local Body Services Commission.

4. The Punjab Civil Services Rules, with suitable modification, should apply to all municipal services. The services will be further saved from interference by the members by a clear demarcation of the executive and deliberative functions and for all practical purposes all the municipal services should be subordinate to Chief Officer with right to appeal to the local body and to the Directorate.

5. The existing municipal employees could be sent to the Institute of Local Government for short-term courses, and for future recruitment, a distinct preference should be given to the diploma holders of the Institute. It will further promote the efficiency of the services if the local bodies' employees were sent for an in-service refresher course at least once in every five years.

#### **(V) Finance and Taxation**

1. (a) The Committee support the recommendations of the Taxation Enquiry Committee concerning the reservation of certain taxes solely for local bodies, and the devolution of powers of taxation to local bodies. The only Government control necessary in regard to power of taxation should be restricted to insistence on Government approval for reduction or abolition of taxes. The powers of the State Government to require a Municipal Committee to levy enhanced taxation in the default of the Council should, however, be continued.

2. The budgetary procedure needs a drastic revision to be simplified. The Municipal Committee itself should be competent to accord sanction, subject to certain conditions, namely, maintenance of minimum cash balance provision for debt charges etc.

3. The budget documents should be split up into two parts, the first containing expenditure in relation to ordinary items. This would represent the ordinary recurring and non-recurring expenditure on staff and maintenance of institutions. The second part of the budget should deal with new expenditure and long term projects.

4. The powers to accord administrative approval should vest in the Municipal Council, but in its resolution according the administrative approval, the fact regarding the availability of funds, assessed by the Technical Organisation for the execution of works, should be specifically stated, as also the annual maintenance cost and funds earmarked or available therefor.

5. The statutory obligation to obtain financial sanction from the Deputy Commissioner and higher authorities in respect of various categories of expenditure places a severe restriction on the financial autonomy of Municipal authorities and is incompatible with the principles of widest autonomy for the self-governing institutions.

6. (i) The implementation of the recommendations of the Local Finance Enquiry Committee and the Taxation Enquiry Commission on Local Finance would go a long way towards improving the viability of local bodies, thus enabling them to play their role in the development of the country and the regeneration of civic communities.

(ii) The Committee support the proposal of the Commission to transfer property tax on urban immovable properties to local bodies as also regarding the levy of tax on professions by municipalities and corporations.

(iii) (a) The State Government should not take over public utility services, except as a last resort, or for compelling reasons. (b) Larger Municipalities and Corporations should take up the public utility services like, transport organisations, distribution of gas and electricity, etc. (c) The Local Bodies should also be encouraged to expand their income by building and running market shops, selling of manures, running flour mills and even by taking to supply activities as would normally be done by Co-operative Societies.

(iv) The State Government should be prepared to give guarantee for the loans floated by grade 'A' Councils. For small Committees, the State Government should provide enough funds as loans for productive schemes, and loans as well as subsidy for essential services.

7. The place of local bodies in the implementation of the local development schemes should be specifically determined and portion of funds earmarked for particular schemes which can be undertaken through the agency of municipal bodies.

8. (a) The taxes assessed are not collected according to the demand and very heavy arrears are outstanding almost in every local body, particularly in regard to taxes recoverable from Government officials. (b) The State Government should be specifically empowered by legislation to order recovery of such taxes on demand from the source at which the salary of the official is paid.

## (VI) People's Cooperation

1. Even in the running and maintenance of institutions set up by local bodies, no consultative or advisory bodies have been provided, with the result that the public grievances and criticism hardly ever come to light, and if they do, they are hardly ever considered and heeded by municipal administration.

2. For ensuring that the municipal institutions are run properly, it will be useful if for each institution there is an *ad hoc* Advisory Committee, comprising Municipal officials serving on the institution and interested non-officials so that the public is afforded an opportunity to contribute to the successful working of municipal administration.

3. Fruitful community participation in the local affairs postulates responsible and creative citizenship. It is, therefore, necessary for Government and the local bodies to adopt effective measures for educating the citizens in the art of citizenship and reducing the prevailing apathy and inertia of the people towards the operations of their local affairs through the agency

of elected representative bodies. The measures for that purpose should include teaching of civics, contacts with the local representatives of the press, organisation of "Civic Weeks", and periodical lectures, the publication of annual reports and a Local Government Journal as a cooperative enterprise by the Councils.

**ESTIMATES COMMITTEE. 54th Report [Ministry of Defence—Ordnance Factories (Organisation and Finance)].** *New Delhi, Lok Sabha Secretariat, 1957. iv, 75 p.*

The main recommendations of the Committee briefly are as follows:

## I. Organisational Matters

### (a) *Form of Organisation*

1. All industries in the Public Sector, whether defence or civil should be run as industries are intended to be run anywhere in the world, *i.e.* not under the departmental system of management but under the Company system of management. The question of bringing the organisation of Ordnance Factories under a Company system of management or under a corporation to be set up by an act of Parliament needs to be reviewed, and examined afresh by Government. An alternative to the Company system of management, would be the adoption of the organisational set-up of Railways in the Ordnance Factories and the setting up of a statutory and autonomous Board analogous to the Railway Board for the administration of Ordnance Factories in an efficient manner and on business principles. The Board should be directly responsible to the Defence Minister, who might retain certain reserve powers so as to ensure effective control over it. Even if it is not possible to constitute the Ordnance Factories producing warlike stores into the Company system of management, it would still be worthwhile and advantageous to consider the feasibility of handing over the Ordnance Factories producing non-war-like stores to the Production Ministry for being managed under the Company system so as to facilitate the enlargement of their functions for the production of a larger variety of stores. It would be an additional advantage if the Defence Ministry which was probably overburdened could be relieved of the responsibility of managing industries which are not of a strictly security nature as it would enable that Ministry to concentrate on Defence matters which are of vital importance to the defence of the country. This question should therefore be examined seriously and expeditiously.

2. Irrespective of whether the Government agree to have the Company system of management for the Ordnance Factories or a statutory and autonomous Defence Production Board, the Board of Directors in the first case, and the Defence Production Board in the other, should be a compact body consisting of those who will be usefully and directly connected with the organisation and the working of the Ordnance Factories, *e.g.* Controller General, Defence Production, Director General, Ordnance Factories, Financial Adviser etc. and two or three private industrialists.

3. A few prominent industrialists should be associated with the Defence Production Board. The Chairman of the Defence Production Board should be drawn from the category of private industrialists. The

Defence Production Board should approach the tasks facing it, keeping in view the dictum that "before effective action is achieved, it must be decided what is to be done, how it is to be done, and who is going to see that it is done".

*(b) Advisory Committees*

1. A revolutionary change in the attitude of complacency on the part of the Defence Ministry in the important matter of Defence Production is called for. It should be possible to secure for this purpose, the whole-hearted co-operation of the Indian industrialists (and also of the production units in the Public Sector) by working the Defence Production Advisory Committee more effectively.

2. The existing arrangement under which the private industrialists are to be associated with the Defence Production Advisory Committee only as and when necessary, and not on a permanent and regular basis, should be altered so as to provide for their association on a regular basis. The Advisory Committee may be assisted by a number of Sub-Committees each dealing with specific allied problems relating to defence production, with the industrialists and other civil production units, directly concerned with the subjects represented on it. To make the Defence Production and Supply Committee effective, industrialists should also be actively associated with it. Once this is done, the question of merging this Committee and the Defence Production Advisory Committee so as to avoid unnecessary duplication of Committees should also be considered.

*(c) Work Methods and Quality Control*

1. It should be possible for the Controller General, Defence Production, to pursue vigorously his activities for ensuring co-ordination among different authorities and for keeping the defence production at the optimum level by cutting down red tape and paper work so as to keep the country fully prepared for all emergencies. It should also be his constant endeavour to streamline and rationalise the organisation for defence production in general and of the Ordnance Factories in particular.

2. The Organisation for Quality Control at the Office of the D.G.O.F. should be examined to determine whether it would be necessary to have more officers and staff not only in the Headquarters but also in the Ordnance Factories themselves. The feasibility of entrusting the function of interpreting vital statistics revealed by cost accounts data, so as to enable initiation of action to improve efficiency, to the Statistical Quality Control Branch, may also be examined.

3. The question of opening an 'Organisation and Methods Division' in the offices of the Controller General of Defence Production and D.G.O.F. to constantly examine the question of staff strength, increase in paper work *etc.*, should also be considered. Instead of the casual inspection carried out at present there should be a system of regular inspection of Ordnance Factories by a Central Team headed by a senior officer for the purpose of carrying out a detailed examination of the various production activities and staff problems of Factories, of the extent of implementation of the various instructions of the D.G.O.F. *etc.*, with particular reference to the detection by an on-the-spot study of uneconomical and wasteful methods of production, employment of excessive staff *etc.*

(d) *Delegation of Powers*

1. Though the D.G.O.F.'s powers were greatly enhanced in recent years, yet in view of the great responsibilities carried out by the D.G.O.F. and the industrial character of the Ordnance Factories, the question of further delegation of powers to the D.G.O.F. consistent with his responsibilities should be examined afresh at the highest level in the light of the present-day conditions.

2. To avoid concentration of authority in a single individual and for the management of day-to-day affairs of the Ordnance Factories, it would be of great advantage if an Executive Board is set up with the D.G.O.F. as its Chairman, and consisting of the Deputy Directors General, one or two Assistant Directors General, Deputy Financial Adviser (Factories) and the Controller of Defence Accounts (Factories) as its members. In addition, while discussing problems of particular regions or Ordnance Factories, the Board should co-opt one or two Superintendents of the local factories to ensure prompt disposal of business. It should also maintain minutes of meetings, meet regularly at least once a week or fortnight and have definite rules of procedure.

3. The powers of the Superintendents of Ordnance Factories should be reviewed so that they might have in all matters authority consistent with their responsibility. It should also be watched centrally by the D.G.O.F. that these powers are properly and sufficiently used. The powers of the Superintendent should be exercised in consultation with a Factory Board to be set up consisting of himself, Works Managers, one or two AWMs, the Factory Accounts Officer and where necessary the Labour Officer, to advise the Superintendent in the day-to-day working of the Factory, with rules similar to those recommended for the Executive Board of the D.G.O.F.

## II. Financial Matters

(a) *Financial Advice*

The arrangement obtaining on the Railways, under which the Financial Commissioner, Railways, functions as a member of the autonomous Railway Board but with certain reserve powers and under which his representatives at lower levels work under the General Managers but also with reserve powers, may be adopted with advantage in the case of all Ministries dealing with industrial projects and commercial matters and in the Ministry of Finance (Defence) in so far as Defence production is concerned.

(b) *Accounts Organisation*

1. While the accounts of Defence expenditure were separated from audit about 30 years back, they were placed under the Ministry of Finance (Defence) and not under the Administrative Ministry. It should be possible to rectify this state of affairs at an early date.

2. The association of Accounts Officers with the management through membership of Factory/Executive Board at the Factory and the D.G.O.F.'s level respectively would go a long way in inducing among them a feeling that they are equally responsible for management and execution of important defence work and also in bringing about harmonious relation between the executive and the accounts officers.



(c) *Mechanism of Financial Control*

1. The details, under which the estimates for expenditure on Ordnance Factories are at present asked for, do not indicate sufficiently the break-up of the expenditure under the various heads. Such a breakdown should be available in regard to pay of various categories of staff, expenditure on allowances, training schemes, inspection staff, repairs and maintenance, welfare activities and miscellaneous operating expenses as fuel, oil, etc. On the receipt side, the value of work done for various departments may also be shown.

2. The expenditure on the organisation of the Controller of Defence Accounts (Fys) has not shown any decrease in spite of the falling work-load in the Ordnance Factories over the last few years and that no comparative study of the accounting staff in the various Ordnance Factories *inter se* as well as with that obtaining in other State industrial undertakings and factories in the Private Sector has ever been undertaken. Such a comparison would be useful in determining the standard strength of the staff in this respect, as also their duties.

3. The Committee generally endorse the remarks of the Public Accounts Committee, contained in paras 9 and 10 of their 19th Report, that effective action should be taken by the Ministry of Finance (Defence) to evolve a better mechanism of budgetary control.

4. In the interest of efficiency and economic functioning of not only the Ordnance Factories but all other undertakings in the Public Sector, the system of correlating actual expenditure with performance and of managerial control should be introduced. With an improved and modern cost-accounts system it should be possible to enforce such a control.

5. (i) The existing system of cost accounting, which is only a historical collection of facts long after the event, is hardly satisfactory, particularly in a monopolistic industry, the economy and efficiency of which are of vital concern to the country. In spite of the criticism of the Baldev Singh Committee, made over 2 years back, about the cost accounting system in the Ordnance Factories, which was characterised as out-moded and unsatisfactory, the system continues unchanged as before. Immediate steps should be initiated by the Financial Adviser to secure the reform. (ii) The entire cost accounting system at present followed in the Ordnance Factories should be comprehensively examined by experts, e.g. the Cost Accounts Branch of the Ministry of Finance, and the modern cost accounting system, as obtaining in advanced countries, may be adopted and introduced without any further delay. (iii) As a further step in the process of establishing complete control over all factors, which are subject to the influence of management, the introduction of the system of standard costing, under which standard costs or predetermined costs are prepared in advance of operations according to a carefully planned method of making a product or rendering a service and serve the purpose of cost analysis and cost control, is also necessary. (iv) The D.G.O.F. and the Superintendents of Factories should each have a cell working under him to interpret to him the various statistics furnished by the Cost Accounts Branch, so as to enable him to initiate necessary action for the purpose of controlling costs and of improving the efficiency.

6. The existing arrangement, under which cost accounting and the staff therefor are not the responsibility of the D.G.O.F. and the Superintendents of Ordnance Factories, is not satisfactory. It is necessary that there should be perfect co-ordination between the factory management and the cost accounting organisation in regard to the various types of cost data required by them within reasonable time of the completion of the particular job.

**ESTIMATES COMMITTEE. 55th Report [Ministry of Defence—Ordnance Factories (Staff Matters and Training)] New Delhi, Lok Sabha Secretariat, 1957, iv. 75p.**

The main recommendations of the Committee briefly are as follows:

#### *I. Recruitment Policies and Procedure*

1. Special steps should be taken to fill the shortages of senior officers by means of special recruitment in various age-groups so as to attract the experienced persons from private industry also.

2. The pay scales for equally qualified men offered by certain undertakings set up in the public sector were very high as compared to those prevailing in the Ordnance Factories and as such there were a large number of resignations from Ordnance Factories. Immediate steps should be taken to examine the whole pay structure of comparable posts in all Government undertakings and to bring uniformity therein as far as possible.

3. Service in the Ordnance Factories is not attractive due to the slow rate of promotion as compared to the Government departments and the absence of pension scheme in this organisation. The question should be tackled at a very high level and the Cabinet itself should give a policy decision in this matter, so that a certain amount of equality of opportunity and prospects exists in all the Ministries and industries in the country. Armed with this policy decision the Home Ministry should ensure its implementation by all concerned.

4. The absence of precise rules to determine the eligibility of employees of Ordnance Factories for selection to the Apprentice Training Scheme against the quota of 20% to be filled by the Director General, Ordnance Factories (D.G.O.F.) is not conducive to the creation of confidence among the employees as well as the public outside. Specific rules for this purpose should be laid down and publicised among the staff and the departmental candidates should be selected by a prescribed procedure.

5. Psychological tests should be included in the examination for selection to the Apprentice Training Scheme for the purpose of finding the aptitude of the candidates for these jobs.

6. Papers for Apprenticeship and Artisan Training Schemes are set centrally but examined locally. The valuation of papers should be undertaken on a central basis.

7. The D.G.O.F. is authorised at present to sanction the creation of temporary posts (except Gazetted posts) up to a period of two years and also recruit non-Gazetted and non-industrial staff. The Superintendents of Factories can recruit class IV and industrial staff only. In an industrial

concern an executive head is in a better position to decide his requirements of industrial personnel in relation to the work-loads. The feasibility of granting more powers to the Superintendents of Ordnance Factories commensurate with their status, to be exercised in consultation with the Factory Board, should be considered. The feasibility of making the recruitment of certain categories of non-gazetted and non-industrial posts on a regional basis and of delegating authority to regional boards to be set up for the purpose may also be examined. Similarly transfers among these categories apart from those on voluntary basis or on disciplinary grounds, may also be made on some regional basis.

## *II. The Size of Labour Force and Rewards*

1. The existing procedure of calculating direct labour requirements in Ordnance Factories allows ample scope for a loose and liberal computation thereof. Further, even the checks laid down to control indirect labour do not seem to be effective since the ratio of expenditure on indirect labour charges to direct labour charges has been consistently rising during the last six years. The reasons for the sudden rise in the percentage ratio of indirect labour to direct labour in the Ordnance Factories should be examined and proper steps taken to streamline and rationalise the indirect labour strength in the Ordnance Factories.

2. The staff in the Ordnance Factories is definitely on the high side and early steps should be taken to determine on a scientific basis the norms and workloads for the various categories of staff in the Ordnance Factories, and to fix their strength on that basis. A comparative study should be undertaken of the strength of various categories of staff in the industrial establishments in the civil sector, both public and private. While it may be necessary to retain certain surplus staff in order to retain specialised skill for stepping up production in emergencies, some measures should be devised to segregate idle staff and labour from others in the Ordnance Factories.

3. The clerical strength had been increasing in recent years. One of the reasons for this was increase in paper work in these factories in recent years due to hundreds of returns being asked for by various authorities. Practical steps should be constantly devised and introduced to keep paper work and red tape to the minimum.

4. A hierarchy of supervisory staff is not always conducive to efficiency or productivity of labour. The question of rationalising the number of grades of staff working in the Ordnance Factories may be examined expeditiously, as also the feasibility of introducing a Class II gazetted service in the Ordnance Factories.

5. The expenditure on pay and allowances of staff has been rising continuously since the year 1951-52 even though the value of production has fallen. Every possible step should be taken to improve the output and productivity of staff.

6. The overtime bonus being paid to the industrial staff in the Ordnance Factories is on the high side and should be minimised by careful planning in placing extracts on Ordnance Factories and in training of workers in a variety of jobs so that they could be employed in other shops during emergencies.

7. Only about 45% of the total labour strength and 75% of the direct labour strength in the Ordnance Factories is governed by the piece-work rate system of payment, i.e. payment by results. The system should be extended as far as possible to all the direct labour strength in the Factories as it provides the necessary incentive to the industrial staff to improve the production as well as their earnings. The feasibility of extending this system of payment to other categories of staff may also be considered. In the Chittaranjan Locomotive Works it has been found possible to increase the output of labour under a Labour Incentive Scheme. A comparative study of the system prevailing there may be undertaken to see in what way the method can be improved to make it scientific and modern.

8. The prize bonus scheme at present in vogue should be given wide publicity among the employees so as to derive the best results. Other steps such as active association of labour with works and production committees, more congenial surroundings and atmosphere of work, educating the labour for fostering discipline, loyalty, etc., should be taken to increase the output of labour, both industrial and non-industrial.

9. To lessen the incidence of absenteeism in the Ordnance Factories, the authorities should examine the possibility of introducing the system of high attendance rewards.

10. The Works Committees in Ordnance Factories have not been as effective and comprehensive in their working as they were intended to be. A reorientation of attitude towards the employees is called for, whereby they should be made to realise that they are partners in the national development and production programmes.

### *III. Staff Welfare*

1. The industrial and non-industrial staff, especially in the low-paid categories, should be provided with residential accommodation on a larger scale than at present particularly because alternative accommodation within a reasonable distance from the Factories is not available.

2. Necessary measures should be taken to ensure adequate educational facilities for the children of the employees of Ordnance Factories at all places and this work should not be left entirely to the State Governments.

3. Steps may be taken to establish co-operative societies in the Ordnance Factories to impart training in handicrafts to workers and their families in their spare time.

4. With a view to stimulating interest in the employees in their affairs, the management of the Labour Welfare Fund should be entrusted entirely to the representatives of workmen.

### *IV. Training*

1. A few trainees from the Artisan Training School have been transferred or earmarked for certain Government undertakings other than the Ordnance Factories. The persons were given to other industries at the cost of equally pressing needs of the Ordnance Factories which are equally short of trained personnel. At present every big industry either sets up its own school to train the technical personnel required by it or prefers to get

trained men on a small scale from a neighbouring training institution. Such compartmental approach is very unsatisfactory. The All India Council for Technical Education, in association with other interested Ministries and private industries, should conduct a thorough survey of the existing facilities for technical training in the country and draw up a coordinated plan to meet the present and future requirements of technical personnel.

2. The question of centralisation of training schemes should be examined comprehensively by a Committee consisting of the Principal, Artisan Training School, Senior Officers and one or two representatives of technical training institutions in the country. While considering this question, the desirability of locating elementary as well as intermediate training centres on a regional basis and having advance central schools may also be considered. This Committee, which may be set up at an early date, should be asked to examine all the training schemes existing at present with a view to their being rationalised and streamlined to facilitate recruitment, training and employment.

3. Special steps should be taken to meet the shortages of highly skilled craftsmen as these continued shortages are bound to effect the efficiency and economic functioning of Ordnance Factories.

4. As there are no special arrangements for the training of Assistant Works Managers, the feasibility of having a common school for providing basic training to Assistant Works Managers in common subjects, *viz.* organisational matters, personnel management, industrial relations, cost control, planning, production control *etc.*, should be examined, as also the possibility of reducing their period of training.

5. Short refresher courses should be introduced for members of the supervisory staff drawn from the whole Organisation. The curriculum of training may include subjects like managerial functions, industrial relations and problems, factory expenditure, cost control *etc.* Due emphasis should be laid on the subject of cost control and thereby efforts may be made to make the staff of Ordnance Factories more *cost-conscious*. The value of this training would be further enhanced if in addition to the training, instructors and senior members of managerial staff of the Factories and the technical colleges are also invited to give lectures to the trainees of the school.

6. Schemes like the "Training within Industry", at present prevalent in the U.S.A. and some of the European Countries should, be introduced on a wider scale in all public undertakings in India, including the Ordnance Factories.

7. To make the various training schemes more effective, audio-visual methods like short films on factory problems, *e.g.* cost control, labour management *etc.* may be adopted.

**EFFICIENCY AND ECONOMY IN THE IRRIGATION AND POWER SECTOR: REPORT OF THE STUDY GROUP.** *New Delhi, Ministry of Irrigation and Power, 1956.*

The Study Group was appointed in May 1956 by the Central I. & P. Ministry to make a study of the problems relating to efficiency and economy in the field of irrigation and power. The Group submitted its report in

December that year in the form of an "action document". The major recommendations of administrative interest, made in the report, are as follows:

(a) *The Concept of Efficiency:*

The concept of efficiency involves consideration of the following questions : (1) Is the organization *making* the best use of its capital resources and revenue returns (e.g. in the case of autonomous organizations), as well as conserving and making the best use of foreign exchange resources ? (2) Is the organisation *making* the best use of real resources ? (3) Is the organization *providing* services/goods to the Government or Public or to the consumer efficiently and at the lowest cost ? (4) Is the organization well *adapted* for securing the best use of capital manpower and physical resources and for ensuring efficiency and economic services to the Government, the public, etc.? (5) Is the organization well adapted to, and the staff sufficiently capable of, securing the same needs *in the future* ?

Questions 1 to 3 are concerned with ends and Questions 4 and 5 with means. The distinction between 4 and 5 is of significance, because the major factors, in securing efficiency in a large-scale organization, are the 'Management of Time' (i.e. planning) and special ability required for anticipating and preparing concretely for the future. The problems and methods for securing efficiency and economy differ from stage to stage.

(b) *Personnel*

1. Basically, the problem of efficiency and economy is a problem of attitudes. Integration and co-operation between talents; attitudes of persistent search after efficiency and savings in costs; the development of personnel and their integrity are fundamental factors for securing efficiency and economy.

2. The present sectional or negative attitudes of engineers, general-administrators and finance men are, in part, a heritage of attitudes of static regulatory administration; in part, defensive inhibitions of a specialist who may not always appreciate the new complexities which he has to manage and the need to keep himself under constant re-orientation.

3. Engineers at all levels must be given courses in cost control and industrial engineering, and the senior amongst the profession should re-orient themselves in the methods of management through seminars, personal visits, contacts and selected reading.

4. Training in industrial management should be a part of the syllabi of graduate courses for engineers.

5. The finance-man has to function with a production-cost outlook rather than audit outlook. Experienced middle-level finance-men with administrative experience should be sent to large-scale projects in the country and even to large-scale industrial-cum-commercial organizations abroad to observe, in actual practice, the approach and methods of functioning of large-scale enterprises with speed. The management there have worked out a balance between delegation and supervision and control, which permits over 90% of decision-making at the operational level.

6. The administrator has got to appreciate his role as an "integrator of talents".

7. The administrators, finance-men and engineers, all have to educate themselves in regard to personnel and labour matters.

8. (i) The problem of provision of experienced personnel for training and research institutions deserves to be attended to immediately. There should be a joint cadre for the executive side and the teachers etc., who are not required to stay for continuity or specialisation. For efficient teaching, the ideal combination may be a theorist with adequate field experience and specialisation in one branch of that field.

(ii) In order to attract the right quality of personnel for research, the pay scale at the lowest level should be made higher than the scale provided for executive work though further promotions should be made on selection basis.

(iii) Co-operative arrangements may be made, for obtaining or building up personnel, with Governments which have established cadres, by adding supernumerary posts at the necessary levels at the cost of the needy party.

9. Manpower planning in the Irrigation & Power Sector should aim at: (i) providing 'feed' for the coordination between demand and supply in regard to each category of personnel in the country; (ii) making timely arrangements for meeting specific skills for specific jobs; (iii) providing 'feed' for statistical overall assessment of the occupational structure in the country; and (iv) coordinating specific demands for personnel with specific surpluses in individual projects from time to time. The Ministry of Irrigation & Power should immediately attend to the first three objectives. The manpower estimates in the I & P Sector are related to the decisions in regard to (a) mechanisation of construction, and (b) the agency (departmental, petty contractor, big contractor) to be employed. These estimates, to start with, can only be tentative.

#### *(c) Planning & Pre-construction stage*

Decisions which may result in maximum economy have to be taken at the pre-construction stage, and depend upon the adequacy of investigations, suitable designs and estimates based on up-to-date analysis of the rates-costs thrown up in actual practice. Each State should forthwith establish a water resources investigation unit under the charge of an officer not lower than the rank of a Superintending Engineer with a proper compliment of the junior staff and an experienced and competent agricultural officer fully conversant with the soils, training conditions and agricultural practices in different areas of the State. The detailed project reports and estimates for the third Five -Year Plan must be completed not later than the middle of 1960. The basin-wise water resources report and fixation of priorities for detailed investigations of projects should, therefore, be completed not later than the end of 1957.

The State Design Cell should collect the latest rate data of projects completed recently or under execution, so that complete break-up of important rates involved in the estimates is readily available for application to the estimates of future projects.

The services of a suitable retired Chief Engineer should be immediately obtained for getting relative Manuals for investigations, preparation of estimates and project reports, prepared on a high priority basis. These manuals will serve three aims: (a) preparation of project reports with a view to achieving optimum utilization of water sources commensurate with cost, (b) preparation of realistic estimates which are correct within a margin of 10%, and (c) permit evaluation of experience and working in terms of rates and costs at the construction stage and for the preparation of up-to-date rates and costs schedules for further planning. To ensure this aim, as recommended by the Rates & Costs Committee, a uniform list of ingredients should be adopted in estimates.

Long-term realistic schedules in regard to planning and construction should be worked out to secure the best use of capital, as has been done by the Central Authority for Electricity in U.K.

*(d) Construction Stage*

1. Productivity, employment of minimum real resources and quality are the three main aims to be secured at the construction stage.

2. Efficiency and economy in this phase is dependent on: (i) Setting up of a planning organisation under an adequate Chief Engineer two to three years in advance of the start of the execution of work in full swing after the project has been sanctioned; (ii) After the Work has been awarded the main role of the Administration would be co-operation and vigilance—i.e. (a) inspection in regard to progress of work and for quality control; (b) prompt payments to contractors; (c) ensuring adequate provisions of amenities to labour and, (d) combating corruption; and (iii) In the case of departmental construction, the main tasks concern organisation, personnel, annual and seasonal scheduling of work, efficiency of workshop, maintenance and utilisation of machinery, organised attention to productivity and relations with labour, skilled workers and staff (amenities and incentives) and evaluation. Two factors which underline the entire arrangements are team spirit and right human relations.

3. Before the construction of a project is started it is essential to have a Master Plan showing the plant layout of the project. In the preparation of this general plant layout, it is considered desirable that the Chief Engineer associates himself with two other engineers who have got real experience of the type of equipment that is to be used for construction.

*(e) Co-ordinated Development of Power*

1. A Co-ordination Committee consisting of the State Chief Engineers for power, a representative of the Power Wing of the Central Water & Power Commission, and Adviser (Programmes Administration) concerned with the particular zone, should be set up, to : (i) get studies made in regard to co-ordinated development of power within the zone ; (ii) suggest legislative administrative measures required for bringing about co-ordinated development ; and (iii) advise on other questions which usually arise when power is obtained by one State from another.

2. Simultaneously with the establishment of arrangements for overall planning of the river system, a survey in regard to areas which need and can take irrigation should be organised by the Revenue and Agricultural Departments of the State Governments.



3. Development of land should be planned in advance and form an integral part of the Project Report. The report should include an assessment of the steps to be taken for timely development, e.g. setting up of N.E. Organisation and demonstration centres ahead of availability of water, financial assistance, agricultural implements, fertilisers, live-stock, seeds. This should be a condition precedent to the acceptance of the project by the Planning Commission. The proposed Manual on "Preparation of Project Reports" should contain a chapter dealing with this aspect.

4. For ensuring timely utilization, a Development Board consisting of representatives of irrigation, revenue and agricultural departments may be set up in each State.

*(f) The Role of the Central Water & Power Commission*

1. The primary function of the Central Water & Power Commission is to co-ordinate knowledge, experience and research in regard to irrigation and power in the country and the rest of the world for securing technical efficiency. It has to function as a sort of staff organisation concerned primarily with the setting up of standards in regard to investigation, designing, estimation, preparation of project reports, rates and costs, and various matters connected with machinery, equipment, etc. and keep these standards in continuous review on the basis of actual experience in the field.

2. Its main role is that of a consultant and adviser to the Ministry of I. & P., the Planning Commission and to the States. The Chief Engineer in States should feel free to call upon the CW & PC for technical advice. Secondly, the CW & PC should, on request, be in a position to prepare workable alternatives in regard to detailed designs and take responsibility for such designs. The Designs Wing of the CW & PC may be strengthened, if necessary. A scheme should be framed to secure these aims. The CW & PC should be in a position to adequately attend to the task of designing without being involved too much in administrative work. Secondly, the design staff should be drawn from or kept in touch with the construction work.

3. A Central organisation like the Central Water & Power Commission should be able to obtain the services of personnel who acquire experience in specialised design work in the country in order to make such specialization available to all the States, when they need. After the States have prepared their first designs they may be discussed with the central organisation for securing the benefit of their co-ordinated knowledge and experience at the stage of planning and designs. A book of specifications and designs should be brought out. Deviations from this should preferably be made in consultation with the central organisation. The broad designs (specification) of all the major projects in the country costing more than Rs. 5 crores should be finalised before any work is started. Specifications of the works must be prepared along with the designs. Specifications and designs of all the major projects prepared by the State Engineers may be scrutinized by the Central Water & Power Commission.

4. It may be advantageous to make available to the Central Water and Power Commission the talent of retired reputed construction and design engineers for either working on individual problems or for making basic

scrutiny of project reports. They would be able to give adequate time to the job. It will be, however, necessary for the reputed construction design engineers who have retired to keep themselves up-to-date.

5. The CW & PC, in consultation with the State Chief Engineers, should prepare the Manuals (a) giving standardised methods of designs and typical drawings of structures such as regulators and falls, etc. (b) on arrangements for quality control, and (c) on Construction Plant lay-out. The Rates Section in the Central Water & Power Commission should be strengthened to carry further the work done by the Rates & Costs Committee. These units should be equipped to function with adequate speed. The Central Water & Power Commission should also co-ordinate experience in regard to organisation and methods relating to stores and workshops.

6. The CW & PC should continue the work initiated by the Construction Plant & Machinery Committee and fill gaps by instituting a proper system of reporting and special studies. It may assist the Control Boards in developing arrangements for control without day-to-day interference and for securing increased efficiency and economy.

To secure adequate and prompt scrutiny of estimates submitted to the Central Boards, the CW & PC should be consulted in regard to specification designs.

#### *(g) Organisational Forms*

1. In balance, the Control Board is a better arrangement than a Corporation in regard to an organisation for construction, maintenance and utilization of benefits of inter-state River Valley Projects. On the other hand, there may be need for a statutory organisation for maintenance of the dam, etc. and for regulating the distribution of benefits in the case of inter-state projects under one man (with adequate staff). The person in charge could be placed under the control of a Committee representing the State Governments and may be, also the Centre.

2. Structurally the Control Boards, being high-powered and high-level bodies of part-time busy members, may function as an "okaying" body. Their membership leaves little scope for supervision of its work. Some of the Boards have dealt with question of delays by prescribing emergency procedures. They have been able to provide initiative occasionally in addition to co-ordination, on the strength of the experience gained by them in other control boards. Being high-level, the Control Boards should also equip themselves for self-criticism in regard to their own working.

3. The Ministry of I. & P. may organise a study of (a) the manner in which the Control Boards have performed their functions and exercised their powers; and (b) the manner in which they have dealt with at their level with specific problems and factors essential for securing efficiency and economy.

4. A representative of the CW & PC at the member level should be a member of each Control Board. It is also necessary that a representative of the Irrigation and Power Ministry should be on the Control Boards. In the case of multi-purpose projects, the Chief Engineer for Power, who

has often to secure decisions of the Control Board and also to contribute to the decision-making process in the Control Boards, should be a member of the Control Boards along with the Chief Engineer for Irrigation.

5. The Secretary of the Control Board should preferably be a whole-time person and may be appointed in consultation with the Board.

6. It will be useful to have a Standing Committee of the Control Board which could examine in detail the estimates submitted to them and report in time for the next meeting of the Control Board.

*(h) Relationship between the Chief Engineer and the Administrator*

1. The relationship in regard to the operation level should be determined on the following basis : "Where the decision-making process and the staff are mainly or predominantly technical, the head of the organisation should be a technical person, experienced in organisation. He should be assisted by administrative personnel for performing administrative functions. Where, however, the administrative functions, e.g. rehabilitation of displaced persons, etc. are of a size and complexity demanding a high level administrator, the Chief Engineer and the Administrator should function as colleagues serving a common aim". The responsibilities and delegation of power to the General Manager, Bhakra, should be regarded as a model to be adjusted to suit local conditions.

*(i) Delegation of powers*

1. The system of delegation of powers combined with the emergency procedure adopted by the Bhakra Board to the Chief Engineer may be adequate for the scale and speed of operations, provided some limit is placed on the time to be consumed by the emergency procedure.

*(j) Finance & Accounts*

1. (i) The system of cost control for construction jobs, which is a mixture of unique-product and mass-product production, would involve work studies; training for the unique-product part of the job and standard costing evolved after work studies in relation to mass production part of the job. In the first stage, the primary need will be to train the supervisory personnel in work studies (method studies, time and motion studies) and the T.W.I. techniques for training workmen. After the supervisory and work skills, as well as cost accounting, have been routinised, will come the stage for cost control. The cost control unit may, thus start as a work-study-cum-cost accounting unit and develop into a cost control unit.

(ii) The Control Boards should arrange to develop arrangements in regard to preparation of detailed realistic schedules, cost accounting, cost control and standards as instruments of control, without interfering with the operational freedom.

(iii) At the Centre, there should be a Central Cost Control Cell to advise on the organisation of cost units and work studies, build up standards for control and planning on the basis of actual experience and present an assessment of increase in efficiency and productivity and comparison between the actual and estimated costs.

2. (i) The Ministry of Irrigation & Power has been equipped with internal yet independent financial advice as a first step towards the adoption of U.K. arrangements (which include a device for obtaining assessment of finance-mindedness of the administrative secretary before the Prime Minister). The arrangements as in U. K. should be fully adopted, as soon as practicable.

(ii) The Finance Secretary of the State and the representative of the Ministry of Finance on the Control Board should serve as financial advisers to the Control Boards. In order to secure adequate attention, the number of joint secretaries in the Finance Ministry may be increased. It may also be necessary to strengthen the State Finance Departments.

(iii) A Chief Accounts Officer, responsible to the Chief Engineer, should be provided for maintenance of accounts and for giving internal financial advice to the Chief Engineer.

3. (i) A high-powered committee should be appointed in consultation with the Comptroller and Auditor General of India to re-examine the CPWD and CPWA codes in order to make them suitable for the present conditions.

(ii) The Irrigation & Power Ministry, in consultation with the Comptroller and Auditor General, should also examine the extent to which the Accounts procedure could be safely relaxed in order to give relief to the field engineers from office work.

(iii) The Accounting Departments in the Projects are not adequately staffed or trained. These weaknesses have to be removed on a high priority basis.

#### (k) Stores

1. Stores constitute the major expenditure in the River Valley Projects. In case of major river valley projects, the stores management should be centralised in a separate organisation in the project itself. The arrangements for transport should also form a part of this organisation.

In regard to stores, like iron, steel and cement which are controlled by the Government of India or which are scarce, the purchase organisation should plan ahead in consultation with the various works engineers in order to secure such stores in time.

During the construction period, a river valley project may be authorised to purchase its requirements directly, provided it has a properly organised purchase unit which should normally be strengthened by one or more experienced purchase officers deputed by the Directorate General of Supplies & Disposals. Such direct purchases should exclude items covered by the Rate/Running Contracts of the D. G. S. & D. The project authorities should, at the same time, establish close collaboration with the D.G. S. & D. so that items which may be required by more than one project and can, therefore, be purchased more economically by D. G. S. & D. by bulking, or any other items which they consider can, with advantage, be dealt with by the D.G. S. & D. should be purchased through the Central Purchase Organisation.

Estimates in regard to the requirements of spares for each category of equipment should be made on a proper analysis of the record of spare parts consumed by the machines in use on the project.

*(l) Labour*

1. The problem of labour relations is a human problem. The basic approach to this problem should be : (a) each individual, whether he is an unskilled, skilled, supervisory worker has to be respected ; (b) each individual should have sense of participation in the great venture of developing the country; (c) the test of any organisation—whether departmental or set up by the contractors—should be the increase in productivity of each individual; (d) the worker should have a due share in the increased productivity for which he is responsible; (e) a study should be made of comparative practices for providing incentives; (f) the specifications (in the contracts) should require the contractors to provide reasonable amenities and these should be standardised; (g) the organised public opinion and the Government should maintain the right balance between a fair deal for labour and discipline in order to secure productivity, which is the common aim of the organisation and the individual; (h) the labour organisations should take responsibility both for increased productivity and discipline along with a fair deal for the labour; (i) each zone in the country should have proper co-ordination of labour forces so that labour surplus at one project should be easily absorbed elsewhere without being retained unnecessarily; (j) there should be a committee of representatives of the labour on one side, and the C.E. on the other, to anticipate or resolve any disputes and grievances; and (k) whenever labour is employed in large numbers, labour welfare officers of sufficient status should be appointed, on each project site to look after their interests.

*(m) Quality Control and O & M*

An O & M Unit should be set up to take necessary steps in regard to delegation of powers, co-ordination between departments, work-studies in relation to office-work, in particular simplification of work procedure, to enable the field officers to attend adequately to the field work and the training of non-technical staff.

A separate organisation for inspection and quality control should be set up under the Chief Engineer to check the work of construction organisation and certify also correctness in following the designs materials and specifications for works.

*(n) Vigilance*

The Report gives an analysis of the opportunities for corruption in I. & P. sector and also enumerates the steps required to deal with the various aspects of the problem. A major instigating factor in regard to corruption is the disparities in income and standards of living between the public and private sectors. To ensure that these measures operate, it is necessary that there should be (a) will to combat; (b) will to expose ; and (c) facilities and time for combating. Secondly, the strategy and organisational arrangements employed for combating corruption by prevention or

by punishment—should function in a co-ordinated manner and with speed. Persistent drive towards combating corruption must come from the top.

An examination of some preliminary data has disclosed that in emergent situations, delegation of powers, without adequate inspection arrangements or spot supervision, may lead to the misuse of delegated authority and perhaps even the lowering of quality. Misuse of discretion, misreporting of facts may be indulged in the name of speed, thus providing free scope to the corrupt. There is also *prima facie* reason to believe that accounting arrangements are not adequate to the speed of execution thereby providing greater freedom to the corrupt but lesser scope for supervision and control.

Inspection to be effective should be serviced by well-organised intelligence. In making arrangements for checks and control the aim should be to stop misuse of discretion and yet preserve initiative.

A most useful instrument for controlling corruption is the sound detailed estimates prepared after adequate investigations. Arrangements should be made for securing prompt reporting of variances in regard to specifications, quantities, etc., from the estimates. These should be followed up immediately by field inspections.

Honest men, sandwiched between dishonest superiors and dishonest subordinates, are very much handicapped and may even suffer for not falling in line with the superiors combating corruption. Measures should be devised for retaining the initiative of honest men. For instance, steps should be taken to ensure that the records of honest persons are not spoiled and that promotions are ordered in a fair and just manner.

#### (o) *Public Co-operation*

Irrigation and flood control programme provide a good opportunity for seeking the co-operation of the people and in this vital field of national development there is a vast scope for voluntary effort. Works on which unskilled labour is entirely employed (like the canal systems), should, as a rule, be done by the villagers themselves and not through contractors, and in each village or group of villages, the villagers should be organised into co-operatives for taking up the work in their own areas.

#### **UTTAR PRADESH. REPORT ON TAHSILS ;** *By Commissioner for Reorganisation, 1957.*

The reports of the Commissioner for Reorganization, Uttar Pradesh, on the reorganization of Collectorates and Treasuries have been noticed in this *Journal* before. He has now prepared a third report on the reorganization of Tahsils. Its main proposals are for an overhaul of the administrative machinery at lower levels and for streamlining the accounting procedure of land revenue collection. Although the report has not yet been considered by the Government of Uttar Pradesh, the proposals are mentioned here in view of their general interest.

##### *1. Overhaul of Administrative Machinery at Lower Levels.*

2. The villager has to deal with many petty officials, e.g. the Lekhpal (formerly called Patwari), the Amin, the Panchayat Secretary, the Village

Level Worker (for short VLW), the Policeman, the Canal Patrol, officials of the Departments of Agriculture, Animal Husbandry, Cane, Cooperative, and many others. A number of these have overlapping duties. Those with specialized functions have inevitably large areas under them.

3. The following table will give an idea of the size of the pay bill of some of these officials :

<i>Designation</i>	<i>No.</i>	<i>Scale</i>	<i>Total</i>
1. Lekhpals	18,126	85% on 35-55 } 15% on 55-65 }	1,14,65,000
2. Village Level Workers	2,575	75-120	43,25,000
3. Panchayat Secretaries	8,543	50-75	70,30,000
4. Panchayat Inspectors	444	120-200	17,65,000
5. Amins	5,097	60-120	76,45,000
6. Amin's Peons	10,194	22-27	55,65,000

4. It is anticipated that during the Second Five Year Plan there will be 6,025 Village Level Workers more. Revenue Department has also asked for 9,600 more Lekhpals and appropriate supervisory staff.

5. The Lekhpal (formerly Patwari) is a functionary whom the villager has understood well from times immemorial. He still wields considerable influence. Officials of all Departments appeal to the Lekhpal for help in their own sphere and are seldom successful without it. Entrustment of panchayat, development and collection work to the Lekhpal would improve things for the administration and the arrangement will be viewed with favour by the villager. At present the Lekhpal deals with 5 or 6 villages. If he is to be given the above duties in addition his charge will have to be reduced. It would be adequate to appoint one Lekhpal for every three villages. This would mean the employment of additional 14,000 Lekhpals. The emoluments of the Lekhpal should be increased by giving him a monthly cycle allowance of Rs. 4/- (unconditionally) and a development allowance of Rs. 5/-. The village chaukidar should assist him while taking money to the Tahsil and get Re. 1/- for each such trip. The Lekhpal should be under the Kanungo, Naib-Tahsildar and Tahsildar for his revenue duties and under the Assistant Development Officer for his development work. The Supervisor Kanungos should do the work of Panchayat Inspectors also and their strength should be increased to 1100. Their pay scale should be upgraded from Rs. 75-125 to Rs. 100-150. All Naib-Tahsildars, Collection or otherwise, should form one cadre and one Naib-Tahsildar should be put exclusively on Sub-Treasury work as Sub-Treasury Officer. *No one should be retrenched or have his pay reduced.* Panchayat Inspectors should be absorbed as Kanungos and Village Level Workers, Amins and Panchayat Secretaries as Lekhpals. The above Scheme is expected to save for the State exchequer over 2 1/2 crores of rupees annually.

## *II. Streamlining of the Accounting Procedure for Revenue Collection.*

6. Recent land reforms have increased the land revenue of the State from Rs. 7 crores to Rs. 22.5 crores and the number of persons from whom it has to be collected has gone up from 2 lakhs of well-to-do land-owners to 2 crores of peasant proprietors.

7. For purposes of collection of land revenue a Tahsil is divided into circles, each under an Amin. The field work of Amins is supervised by Naib-Tahsildars. The collections made by Amins and the amounts deposited by them into the Treasury are checked by the Wasil Baqi Navis or the Assistant Wasil Baqi Navises.

8. The present procedure may be described briefly—

- (1) In May each year the Jamabandi is prepared in triplicate, one copy for the Tahsil, one for Amin and one for the Gaon Sabha.
- (2) The Jamabandi is checked cent per cent once by the Kanungo and a second time by the Naib Tahsildar.
- (3) The Amins take the Jamabandis and receipt books to the villages and collect money from May 15 to September 30 and again from October 15 to March 31—the intervals are used for compiling accounts.
- (4) The receipt book is made out in several columns for arrear and current demand. The Amin makes out a receipt for each payer with a double-sided carbon. The original is retained and the copy is given to the payer. The payer's portion contains a coupon, which is left blank by the Amin. The coupon is filled in by the Collection Naib-Tahsildar in the course of his tours and brought back to the Tahsil where it is pasted by him next to the original. The Naib-Tahsildar has to bring back 10% of the coupons issued. Finally audit parties check whether the coupons and originals tally.
- (5) The Amin brings the money collected by him to the Tahsil once a week, and pays it in a lump sum in the Tahsil Treasury after check by the Assistant Wasil Baqi Navis. For such transactions the Amin has to prepare a chalan, a list showing the total collections in each village, and another list (form A) showing the amount collected from each person—all in triplicate—one each for himself, for the Tahsil and the Treasury.
- (6) The Assistant Wasil Baqi Navis checks each receipt with the list in Form A and the Jamabandi and has also to enter the amounts in half a dozen registers which are designed to watch the realization.


9. The rules which prescribe the above system display unnecessary distrust of subordinate staff, leading to their employment in much greater numbers than necessary, and creating an atmosphere where team work is impossible.

10. The recommendations which have been made for streamlining the procedure are :

- (1) Only one copy of the Jamabandi should be prepared once in 5 years, and it should be kept in the Tahsil. Each year corrections should be entered in it till it is due for being re-written. The re-writing should be staggered so that one-fifth of the Jamabandis are re-written every year. When it is prepared, 20%



of the entries should be checked by the Kanungo and 10% by the Naib-Tahsildar. The person who goes out to make the collections (hitherto the Amin) should be given an abstract showing only the name of the tenant and the net demand.

- (2) The card index system, which is now available in the market in a highly developed form, should be used for watching the progress of collections instead of the present registers. The system would enable the demand for each village to be noted down in a card, the cards to be arranged circle-wise, the amounts of collections indicated at the bottom on a line, in which each notch stands for Rs. 100/-, by moving signals and the position of 60 villages made visible at a glance.
  - (3) Only two copies of Form A should be prepared instead of three—one for the official collecting the money and the other for the Treasury.
  - (4) The columns for arrear and current demand should be removed from the receipt book.
  - (5) Receipt books should be in 3 different colours, one for land revenue, one for canal dues and one for other dues.
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## BOOK REVIEWS

**REFLECTIONS ON INTERNATIONAL ADMINISTRATION;** By A. LOVEDAY. *Oxford, The Clarendon Press, 1956, xxi, 334p. 42s.*

Mr. Loveday's study of international administration is much more comprehensive and detailed than what the title of the book suggests. The study interestingly reveals that though the methods and techniques of international administration which were found successful prior to 1939 are no longer applicable in the changed circumstances of today, most of the administrative ills in the international sphere have arisen from an inadequate application of the basic concepts and principles which have proved their worth in the national field.

The book is divided into two parts; the first dealing with "Personnel Policy" and the second with the "Machine in Motion." The former covers problems relating to the maintenance of high morale and efficiency on the part of the staff, while the latter deals with the functions of councils and boards and advisory committees and the problems of administrative dispersion, research and finance. The author touches upon every problem of international administration, though he approaches them all from the point of view of the potential capacity of the international secretariat to promote economic and social progress and internal understanding.

The fundamental problems of the international administration are basically different from those of national services and the author, in the first two chapters of the book, describes briefly the peculiar characteristics, of the life and work of international civil servants. The task of the international civil servant is much more difficult and his life more tense, influenced as these are by factors like social isolation, the comparative insecurity of tenure, international tensions, lack of common experience and common background, the interplay of national prejudices, the dispersion of responsibility and the inconclusive nature of work arising from the lack of a legislature and ministers. In nature, the work of the international civil servant is more "diplomatic and promotive"—diplomatic in regard to the promotion of international understanding and goodwill and the securing of agreement; and promotive in respect of the economic and social progress to be achieved by collective measures, both national and international.

One must not forget that the international secretariat has had a long and chequered history. It has had its ups and downs and its moments of enthusiasm and depression. The course of a national secretariat can be chalked out with some definiteness, not so in an international secretariat. No one can foretell how its course will shift or whether it will broaden or narrow down. In such circumstances, planning is infinitely more difficult. The main reason for this is the fact that internationalism itself has not taken a definite trend. For instance, the United Nations Organisation may be regarded as a world State in embryo, a co-operative organisation for promoting the best interests of all its members or a debating society to discuss what would be best of all possible worlds. It would not perhaps be unfair to say that the United Nations has assumed something of all the three roles. Naturally

its secretariat has, from time to time, been called upon to perform all kinds of possible and impossible tasks.

The qualities required of international officials though not different from those in case of national civil servants, differ in their order of importance and relative value. Here, 'diplomatic capacity', constructive imagination and '*convivencia*' are especially important. Whereas "co-existence" is applied to nations or people, "*convivencia*" is applicable to individual members coming from different nationalities. The success of an international secretariat will depend more on the personality of its officials, their ethical outlook and character rather than on their intellectual attainments alone. While it is difficult to question these conclusions of the author, there are human limitations on the possession of all requisite qualities in any individual. To over-emphasise these qualities does at times tend to make the international staff appear somewhat "unreal".

Mr. Loveday feels that the present system of salary grades and narrow job specification, in the United Nations and other international agencies, places undue emphasis on specialisation and impedes both horizontal and vertical mobility. "It seems specially designed to give candidates and recruits from less-developed countries the least possible opportunities." The system of selection is geared rather to the job than to the men and is wasteful and unimaginative. The project system of budgeting followed in many international agencies is the financial counterpart of the narrow job specification system in personnel policy and is costly and inflexible. The author favours a sort of career system for recruiting international civil servants direct from universities at a young age and training and developing them on the job later. For heightening of morale he advocates, among other things, a flexible promotion system and wide and equitable geographical distribution of staff.

The United Nations Secretariat has certainly suffered greatly from optimistic expansion and hasty recruitment. National delegations, while freely advocating an expansion of the work of the Secretariat, have been very critical of any increase in its cost. The concept of an international career civil service put forward by the author, as the panacea for most of the weaknesses of international administration today, would hardly be a practical proposition in the present climate of cold war. In any solution which is proposed, one should not forget the present glaring imbalance in the regional distribution of the international staff. It might be worthy of consideration whether the system of interchange of staff between the international organisations and the national secretariats would help to solve the staffing problems. The recent experience, though limited, of manning the international secretariat in Indo-China in a similar way gives some support to the proposal.

While administrative dispersion has in some ways helped to counteract the adverse effects of international tension on the work of the international organisations, it has also added to the complexities of the problem of co-ordination. The existing co-ordinating machinery is hardly effective, nor are organisational structures and work procedures adequately streamlined. Here too, Mr. Loveday advocates the application of principles of "Administrative Liberalism" and points out that many of the weaknesses of international administration—such as a surfeit of ideas, projects, documents, and staff, of rules controlling the staff, turgent departments and consequential

high costs—, are due to the application of American principles of administration. Inflated administrative divisions and manuals will become unnecessary if proper personnel policies and the practice of “cooperative centralization of policy and administrative procedure and action” were adopted.

Mr. Loveday's analysis of and conclusions concerning the modern problems of international administration is backed by his long and distinguished service as Director of Economic, Financial and Transit Department of the League of Nations and also by a special study of the working of the United Nations and its specialised agencies. Like national secretariats, the secretariats of international organisations also function behind the scene. The part they play is often misunderstood and sometimes misrepresented. The present study, though it concentrates on some of the major weaknesses in the administrative policies and practices of international organisations, is intended to emphasise the dynamic role which international civil servants can play today in the solution of the world problems. The book should, therefore, prove valuable not only to secretariats of international organisations but also to governments of member-states and their delegations as well as to all those interested in the promotion of international understanding and peace.

—S. Lall

**ANTHROPOLOGY IN ADMINISTRATION;** *By H.G. BARNETT.* New York, Row, Peterson & Co., viii, 196 p. \$5.00

The book, consisting of five parts, contains an illuminating survey of the application of anthropology to administrative problems all over the world. The functions of international organizations like the International Institute of African Languages and Cultures, the Caribbean Commission and the South Pacific Commission, and of national organizations such as the British Colonial Social Science Research Council and the Office de la Recherche Scientifique Outre-mer, have been admirably summarized. The two levels of operation of these organizations have been clearly indicated. “On the one hand, there are councils which formulate, co-ordinate or allocate research work; on the other hand, there are research institutes with corps of fieldworkers who execute programs of their own or those of some supraordinate body” (p. 15).

Though the book is a store-house of information about the various applications of anthropology to administration, it is not free from small factual inaccuracies in places. For example, it has been stated that “The head of the Department of Ethnography, government of Assam, serves as adviser to the governor of the state” (p. 28). As far as is known, the Government of Assam has at present no Department of Ethnography. There is, however, one anthropologist, designated ‘Tribal Adviser to the Governor of Assam’, who is directly appointed by the Central Government and attached to the N.E.F.A. administration. In another place occurs a rather unwarranted criticism of the national government of India. “An expedition to the Andaman Islands was undertaken in 1948 at the request of the Ministry of Home Affairs for the purpose of making a modern economic, physical, and psychological survey of the population. Despite this auspicious beginning, the national government has not as yet become fully alive to the potentialities of an anthropological service in the handling of some of its most pressing problems in the rehabilitation of tribal areas” (p. 23). In fact, the Government of India is perhaps the only country in the world which

has been fully financing a large and comprehensive central Department of Anthropology for conducting basic researches in all branches of the discipline. This Department, with its headquarters in Calcutta and three regional stations in Assam, Central India and Andaman and Nicobar Islands, has been carrying on research not only in cultural and physical anthropology but also on linguistics, psychology and biochemistry.

Furthermore, in recent years at least four States, namely, West Bengal, Orissa, Bihar, and Madhya Pradesh, have started tribal research institutes in order to help the tribal welfare departments of the respective States in formulating and executing rational plans of welfare. It should, however, be stated here in fairness to the author that perhaps he could not, in the time at his disposal, verify or cross-check the information received by him from the different sources.

The author has taken special pains to explain and illustrate the various roles taken by anthropologists in their association with administration. "It appears that under official sanction their roles have been three: that of the contracted specialist on short-term employment, that of the permanently attached technical officer, and that of the administrator" (p. 33). The existing lack of co-operation between administrators and anthropologists based on wrong notions about each other's functions, and the difficulties therefrom, are then discussed with scientific detachment. Administrators might find the following observation of Mr. Barnett quite revealing: "It has been said that executive officers with no real appreciation of social science abuse it rather than use it when it is made available to them. Lacking confidence in it, they patronize it and indulge its advocates as it suits their purposes at the moment. An administrator with this attitude, like other human beings with strong convictions, appeals to research findings only to the extent that they support his predilections and preconceptions. As one anonymous critic has put, he 'uses social science the way a drunk uses a lamp post, for support rather than for illumination'. He is also likely to call for advice as a citizen calls for fire or police protection—too late for prevention and often too late to avert damage" (p. 69).

The question who is in a better position to determine policies and ends—the administrator or the anthropologist—has also given rise to a good deal of disagreement: "The government official regards it as his right and duty to make or execute policy: and this is not the business of the social scientist who, as such, is more capable of judging what is good for people than any other enlightened citizen, including the politician, the missionary, or the administrator himself. Most anthropologists, along with other social scientists, contest this argument, and in effect, declare their superiority as social planners, either on the basis of their scientific knowledge or their specialized interest in human affairs.... Because the subject matter with which they deal is human society, social scientists are in a better position than other citizens to formulate policy in terms of given ends or the reconciliation of conflicting ends, and to influence the public in its choices" (pp. 81-82). Both the points of view have been put forward by the author with force and clarity. A careful perusal of the book by our administrators as well as anthropologists will, therefore, be of benefit to both in clarifying ideas and building up effective co-operation between them. And this is of particular importance in the present period of India's national history when

comprehensive five year plans for the development of the natural and human resources of the country are being formulated and implemented.

—N. Datta-Majumder

**GOVERNMENT BUDGETING;** By *JESSEE BURKHEAD*. New York, John Wiley & Sons, Inc.; London, Chapman & Hall, Limited, 1956. 498 p. \$ 7.50.

Government budgeting as a special study is, with the increase in the volume and variety of Governmental activities, assuming a growing importance. This book which deals comprehensively with budgeting at federal, state and local government levels is, therefore, a timely and welcome contribution; and the author, a Harvard graduate, is well qualified to speak on the subject. He has served in the United States Bureau of the Budget and been associated with the Department of Economic Affairs of the United Nations. At present he is a Professor of Economics in the Maxwell Graduate School of Citizenship and Public Affairs at Syracuse University.

The budget of a Government is shaped by its politics, and as the author observes, by and large and with few exceptions, good politics has got to be good economics too. The close connection between economics and budget-making is well brought out.

The book is divided into four parts. Part I is concerned with the evolution of the modern budget system with special reference to U.S.A., Great Britain and France. It also discusses in detail private and public sectors in a market economy; the "Law of increasing State activity" formulated by the German economist Adolph Wagner; how the objective test of efficiency, which is ever present in the market economy, is lacking in the case of public economy; and how devoid of the profit motive but based on common social objectives, the approach to the allocation of public expenditure can be described as an exercise in marginalism. The section relating to the role of the budget as a tool of fiscal policy and an instrument for consciously influencing the economic life of a nation should be of special interest to administrators and economists in India and should enable them to appreciate fully the recent presentation by the Finance Minister of an economic classification of the Central Government Budget. The main elements of fiscal policy *viz.* taxation, expenditure, and debt management are succinctly dealt with.

Part II deals with budgetary classification which, the author says, is the structural key to conscious and rational government budgeting. The nature of budgetary classification, is ultimately dependent on the manner of grouping the various items of revenue and expenditures, and determines to a large extent the character of the decisions made by the executive and legislative authorities in the budgetary process. For that reason great attention has been devoted to classification techniques. After discussing at some length the relative merits and limitations of classification by function, by organisational units, and by objects of expenditure, the author concludes that the search for an ideal single classification is mistaken and fruitless.

The recent advances in budgeting technique all hinge on classification. The author considers that performance budgeting has ushered in a new era in budget making in U.S.A. Performance budgeting shifts the emphasis

from the means of accomplishment to the accomplishment itself. The chief drawback of the traditional methods of classification is that it does not enable legislators to determine what exactly is being approved. Performance budgeting enables legislators to make decisions in terms of social values for which they are eminently qualified, rather than be lost in a maze of individual items of expenditure, the justification of which they have no means of judging.

Dr. Burkhead then proceeds to distinguish between a programme budget and a performance budget and states that the former is "forward looking" and the latter is based on the past. In the preparation of budget estimates, programme determination should precede and set the framework in which the measurement of performance can be undertaken. Performance or programme budgeting furnishes the public officials a technique for explaining and justifying their contribution to the community and strengthens the role of budgeting as a tool of management. The budgetary reform in the direction of programming, the author concludes, is certain to improve the co-ordination of budgeting and planning, but before it can be universally introduced, considerable experience in performance budgeting must be gained.

A whole chapter of Part II has been devoted to the capital budget. While the technique in respect of a capital budget, the author points out, is inherently neutral with respect to the means of finance, there is an altitudinal disadvantage, which seems to be deeply imbedded, by closely associating the technique with a financial programme of borrowing for public improvements. The capital budget can serve as a satisfying ritual to support deficit financing; but unfortunately where this is its justification, the results are not wholly salutary.

The various processes involved in the formulation of the budget, legislative authorisation, execution and accounting and audit have been examined in Part III of the book. Here, the author rightly emphasises the need for maintaining flexibility of the budgetary process, as economic conditions and programme conditions inevitably change over time. The ability of a budget execution system to cope with these changes, he observes, depends in large measure on the way in which budget authorisations are written. The description of the evolution of the General Accounting Office under the Comptroller General, which follows, has a particular relevance to Indian readers in the context of the Government's recent policy regarding separation of Audit from Accounts. The purposes which Government Accounts should serve, the institutional arrangements to secure "Accountability" and the system of pre-audit versus post-audit are discussed in detail.

The last part examines some specialized problems of budgeting, such as revenue estimating and budgeting of public enterprises, the particular problems of the under-developed countries, viz. mobilising and directing of the surplus arising from increasing economic activity. The various organisational types of public enterprises have been detailed and the author's observations on the question of autonomy versus central direction are of special interest. Discussing the desirability or otherwise of the annually balanced budget, the author sums up the classical and the Keynesian approach as follows: "The classicists stress the control of the budget; and the Keynesian, the effects of the budget." The author concludes that it is for the future theorists to evolve a guide to budgeting which will serve both the purposes simultaneously.

Dr. Burkhead lists some of those classical notions on budgeting which have, from time immemorial, commanded great respect. These are the principles of comprehensiveness, which imply that there should be no extra budgetary funds outside the budget; of exclusiveness, which means that budget should deal only with financial matters and not substantive legislation; of unity, which requires that the budget be presented in gross terms; of annuality, which requires the budget to be presented each year and cover one fiscal year only. In place of these, which he terms as "hopelessly unrealistic" he enunciates the principle of "operational adequacy", that is, the budgetary process must be programmatic and capable of coping with the diverse governmental problems at hand, and that emphasis must be on flexibility and adaptability rather than on an ideal which is unchanging.

—M.S. Ramayyar

**VITALITY IN ADMINISTRATION;** By HERBERT MORRISON, *etc.* London, George Allen & Unwin Ltd., 1957. 78p. 8s. 6d. (*Published under the auspices of the Royal Institute of Public Administration*)

The six essays contained in this small book are derived from a series of lectures held by the Royal Institute of Public Administration in London in 1956. Six eminent persons each occupying a top-position in his own field of activity took part in the symposium. They are: The Rt. Hon. Herbert Morrison, C.H., M.P.; Mr. Basil Smallpeice, Managing Director, British Overseas Airways Corporation; Sir Alexander Fleck, K.B.E., F.R.S., Chairman, Imperial Chemical Industries Ltd.; Sir Wilfrid Neden, C.B., C.B.E, Chief Industrial Commissioner, Ministry of Labour and National Service; Mr. A.D. Bonham-Carter, Director, Unilever Ltd.; and Major-General G.N. Russell, C.B., C.B.E., General Manager, British Road Services. From experience gained in his own field each has subscribed to the view that, no matter what field of activity it encompasses, administration, to be really effective must be 'live' enough, not only to adapt itself to changes imposed on it by force of circumstances but also to respond effectively and speedily to the continual changes in environments, be they political, technical or social which make continual altered demands on them.

In "The Elected Authority—Spur or Brake", Mr. Herbert Morrison, by illustrations drawn from recent shifting political fortunes of the Labour Party, lucidly brings out the extent to which a democratic Government has to remain alive to its exacting responsibility to the electorate and the press.

The most catching illustration of what would constitute vitality in an administration is given by Mr. Basil Smallpeice, in "The Challenge of Competition". He compares it to the reflex action in the human body in which the circumstances of any situation are rapidly transmitted to the brain where decisions as regards appropriate action are taken, and, in turn, transmitted to appropriate parts of the body for necessary action. A 'live' administration must reproduce this process of "sensitivity of perception", "speed of decision", and "sureness of execution". For 'sensitivity of perception' the British Overseas Airways Corporation maintains a high power technical unit to keep it abreast of developments in the air craft manufacturing industry.

For "speed of action" the analogy of the human body, however, cannot be extended to its logical conclusion in the sense that while transmission of



perception to the brain might indicate complete centralisation of the decision-making process, the British Overseas Airways Corporation insists that decisions should be never taken nearer the centre than is absolutely necessary since nothing corrodes initiative more than excessive centralised decision-making. Mr. Smallpeice must be complimented for his bold assertion that if centralised decision-making is made necessary by force of circumstances it will remain healthy and vital only if the senior persons at the centre themselves abhor centralisation and lose no opportunity to reduce it.

For "sureness of execution", the most essential requisite of a *live* administration is the active participation of all concerned in the execution of policy decisions resulting from a complete understanding and acceptance of those decisions by all the members of the organisation. This is achieved in the British Overseas Airways Corporation by monthly meetings of senior executives with the national officials of trade unions where all policy decisions are clearly explained. As an excellent example of the vitality of the organisation, he quotes the extremely unnerving situation the Corporation had to face when, all of a sudden, it was robbed of its proudest asset, the jet-propelled Comet I. It is a tribute to the vitality of the Corporation that a massive re-organisation was successively carried out and their position in the highly competitive field maintained.

In the third chapter, in "The Pressure of Technical Change", Sir Alexander Fleck describes the manner in which the Imperial Chemical Industries maintains its vitality in adapting itself to the needs of *technical advances*. For an administration to be injected with vitality it is essential that the topmost level of policy makers must first manifest their vitality in the *creation of new policies*. Vitality manifested at this level will automatically reproduce itself at the lower levels. Hence the urgent *need for leadership*, particularly at the highest level. Vitality in executive function should stem directly from vitality in policy. Illustrations are given of various technical problems which the Imperial Chemical Industries had to face and the manner in which close cooperation between centralised policy-makers and decentralised executives enabled the organisation to solve these successfully.

Sir Wilfrid Neden assesses the value of "Human Relations as a Positive Factor" in maintaining vitality in administration. There is need for securing more than mere contentment in the organisation administered. Many firms may work at what is described as a 'comfort level' by means of incentive bonuses and the like; but the real test comes when for some reasons it becomes necessary to reorganise the administration since it is then that good human relations pay off. Letting the "reasons behind the rule" percolate down to the humblest operatives helps in securing their co-operation since they get convinced of the competence and the good faith of the management which is proposing the change.

In "The Motive Power of Higher Management", Mr. A.D. Bonham-Carter stresses another equally vital factor which influences efficiency at higher management levels, *i. e.* the acceptance of the need for regular self-examination. He describes how this particular problem was tackled in Unilever Ltd. by the organisation of evaluation teams, called teams for "Contact". The function of the "Contact" teams is to help the management of operating units to ensure that they are as efficient as they can and

should be. In this task, they seek the assistance of the specialists of the advisory sections. No investigation report is finalised unless and until it has been discussed by the people about whom it is written; they have the right to see the report first and the opportunity of discussing it and expressing their views on it. Even the extensive scheme of internal audit, in Unilever Ltd., works on the same principle, viz. no report is made without prior consultation with the people concerned. Mr. Bonham-Carter admits that this, of course, is not merely self-examination but a willing acceptance of constructive criticism aimed at self-examination.

In the last essay on "The Challenge of Organisation", Major-General G.N. Russell indicates how the benefits of a large scale operation can be secured without sacrificing the advantages of the small undertaking in which the dynamic personality is able to maintain vitality of the undertaking. A large undertaking, like a small man, can manufacture its own tongue, eyes and ears to ensure, like the small man, that the desired objective is being attained in the desired manner.

For accomplishing the administrative and organisational tasks which we, in India, are facing today, it is imperative that the vitality of the administration be kept at 'concert pitch'. The most essential requirements of a 'live' administration thus are :

- (1) leadership at the levels of administration;
- (2) appropriate delegations for executive action;
- (3) collaboration between 'executors and policy-makers' so that there is a greater sense of participation; and
- (4) a continuing evaluation to ensure the proper pitch of performance.

In this context, however, the warning given by Major-General Russell must always be kept in mind, that in our attempt to design the best we do not over-organise, as human beings do not give of their best if they are over-organised; the individual must always be encouraged to go about his work in a free and responsible manner.

—K.N. Butani

## NOTICES

**LEADERSHIP IN EDUCATIONAL ADMINISTRATION; BY CHITRA NAIK.** (*Ministry of Education, Government of India*). Delhi, Manager of Publications, 1957, ii, 22p. Rs. 0.37 or 7d.

The brochure, though small in size, contains an interesting study of different phases of educational administration, viz., the role of educational administrator as a leader, his relationship with the bureaucracy and the people and the equipment and methods by which he can successfully implement the educational projects.

**GOVERNMENTAL SERVICES IN THE PHILIPPINES ;** By H.B. JACOBINI & ASSOCIATES. Manila, Institute of Public Administration, University of the Philippines. 1956. ix, 640p. Price not mentioned.

A detailed factual study of the organizational pattern, functions and working of different departments and services of the Philippines Government. The major problems relating to the functions and the operation of the services have been pin-pointed. The political, legal and operational, framework of the services, viz. the Constitution, statutes, the Revised Administrative Code and the executive and administrative orders supplemented by the court decisions issued from time to time, has been indicated. It also outlines the recommendations of the Government Survey and Reorganization Commission and other recommendatory groups.

**HOSPITALS AND THE STATE—The Impact of the Change;** By THE ACTON SOCIETY TRUST. London, 1956, 54p. Price not mentioned.

This second pamphlet in the series 'Hospitals and the State' is a study based on the personal observations of a sociologist of the impact of change on the hospital services since the enforcement of the National Health Service Act. It deals primarily with the changing authority, responsibilities and status of the three chief officers—the heads of the medical, nursing and administrative services. The study poses certain questions for consideration of the authorities in the light of the results and conclusions of the survey.

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## SELECTED GOVERNMENT PUBLICATIONS

The following are some of the more important government publications recently added to the Institute's Library.

### INDIA

#### ACCOUNTANT-GENERAL, CENTRAL REVENUES, OFFICE OF.

Appropriation Accounts (Civil), 1953-54. Vol. I-XXIII.

The volumes contain the Appropriation Accounts and the *pro-forma* commercial accounts. There is a separate volume relating to each Ministry. The Audit Report—Part II and the Audit Certificate have been included in vol. I relating to the Ministry of Finance.

#### CABINET. O AND M DIVISION.

Descriptive memoir of the Ministry of Education (as on 1st April, 1956). 1957. 72p.

Descriptive memoir of the Ministry of Information and Broadcasting, Jan. 1956. 1957. 42p.

Descriptive memoir of the Ministry of Irrigation and Power (as on 1st April, 1956). 1957. 22p.

Descriptive memoir of the Ministry of Natural Resources and Scientific Research (As on 1st April, 1956). 1957. 50p.

Descriptive memoir of the Ministry of Railways (as on 1st April, 1956). 24p.

#### EMPLOYEES' STATE INSURANCE CORPORATION.

Annual report for the year 1955-56. April 1957. 99p.

#### FINANCE, MINISTRY OF.

Report, 1956-57. 23p.

Supplementary demands for grants for expenditure of the Central Government (excluding Railways) in 1956-57 (as recommended by the President). March 1957. 1, 34p.

#### INFORMATION AND BROADCASTING, MINISTRY OF.

Calendar reform. Publications Division, March 1957. 32p. As. 6.

#### LOK SABHA. Estimates Committee.

Forty-sixth report [Ministry of Defence (Lands and Cantonments)]. March 1957, iv, 121 p.

Forty-eighth report [Ministry of Transport (Major Ports)]. Feb. 1957. vi, 114p.

Fifty-second report. Action taken by Government on the recommendations contained in the sixth report of the Estimates Committee [on the Ministry of Food and Agriculture, November 25, 1953]. March 1957, iii. 158p.

Fifty-third report. Action taken by Government on the recommendations contained in the Seventh Report of the Estimates Committee [on the Ministry of Food and Agriculture, May 12, 1954]. March 1957, 124p.

Fifty-fourth report [Ministry of Defence—Ordnance Factories (organisation and Finance)]. March 1957, iv, 75p.

Fifty-fifth report [Ministry of Defence—Ordnance Factories (Staff-matters and Training)] March 1957, iv, 75p.

Fifty-ninth report. Ministry of Transport (National Highways and Roads). March 1957, iv., 80p.

**LOK SABHA. Offices of Profit, Committee on.**

Report of the committee on offices of profit. Part II-B. Dec. 1955, 296p.

**LOK SABHA. Public Accounts Committee.**

Nineteenth report [Appropriation Accounts (Defence Services), 1953-54] vol. II—Appendices. Nov. 1956, ii, 66p.

Twenty-second report [Appropriation Accounts (Posts and Telegraphs), 1953-54 and Audit reports, 1955, Parts I & II and Audit report (P & T), 1956—Part I] Feb. 1957, vii, 124p.

Twenty-third report [Appropriation Accounts (Civil), 1952-53 and Audit report, 1954—Part II and Audit report (Civil), 1955—Part I. vol. I—Report.] March 1957, iv, 128p.

**RAILWAYS, MINISTRY OF. (Railway Board).**

Report by the Railway Board on Indian Railways for 1955-56. Vol. II—Statistics. vi, 297p.

Supplementary Demands for grants for expenditure of the Central Government on Railways, 1956-57. March 1957. 7p.

Budget papers. [includes Demands for Grants for expenditure of the Central Government on Railways for 1957-58; White Paper on the Railway Budget 1957-58; Budget of the Railway Revenue and Expenditure for 1957-58; and Vote on Account for expenditure in 1957-58].

**RESERVE BANK OF INDIA. Research and Statistics, Department of.**

India's balance of payments, 1948-49—1955-56. Jan. 1957. iv, 79p. Rs. 1/8.

**STATES**

**ASSAM**

Agriculture, Department of.

Annual report, 1953-54. Part I. 1957. 3, vi, 89p. Rs. 1/8.

**KERALA**

Budget papers, 1956-57 (last five months) [includes Demands for Grants and detailed budget estimates; Detailed budget estimates of revenue; Appendices to the Detailed budget estimates and Financial Statement of the Government of Kerala for the last five months of 1956-57.]

Budget papers, 1957-58. [includes Detailed budget estimates of revenue; Demands for grants and detailed budget estimates; vote on Account for expenditure of the Government of Kerala; Explanatory memorandum on the Budget and Annual financial statement, 1957-58.]. 1957.

### *MADRAS*

Industries, Labour and Co-operation, Department of.

Report on the working of the Factories Act in the State of Madras for the year 1955. 1956, 134, 2p. Rs. 2/12.

Public Works Department.

Administration report of the State Broadcasting Department for the year 1954-55. 1956. 44, 2p.

### *RAJASTHAN*

Appointments (E) Department, O & M.

Annual administration report for the year ending 31st March, 1956. 15p.

### *UTTAR PRADESH*

Industries, Directorate of.

Development of industries in Uttar Pradesh, 1955-56. Feb. 1956. XXVIII, 208p.

### *WEST BENGAL*

Report on the administration of criminal justice in the state of West Bengal and the territory of Andaman and Nicobar islands during the year 1955. Issued by the Authority of the High Court at Calcutta. 1957, 12p. Rs. 2/-.

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## CONTENTS

	<i>Page</i>
Expanding Government	<i>H.M. Patel</i> 303
Problems of University Administration	<i>C.D. Deshmukh</i> 320
The Planning Commission	<i>P. P. Agarwal</i> 333
The Government and the Party	<i>N. V. Gadgil</i> 346
Geographical Distribution of Personnel in the United Nations	<i>Anand K. Srivastava</i> 357
Inter-Governmental Relations in the U.S.	<i>Phillips Bradley</i> 371
Correspondence	382
Editorial Notes	388
Recent Trends in Public Administration in India	389
News from Abroad	400
Institute News	403
Digest of Reports	
U.K.—Report of the Committee on Administrative Tribunals and Enquiries	406
Planning Commission, Programme Evaluation Organisation—Evaluation Report on the Working of Community Projects and N.E.S. Blocks	413
Book Reviews	
<i>Service and Procedure in Bureaucracy</i> (Roy G. Francis and Robert C. Stone)	<i>D. G. Karve</i> 420
<i>Parliament in India</i> (W. H. Morris-Jones)	<i>N. K. Bhojwani</i> 422
<i>The Pattern of Management</i> (L. F. Urwick)	<i>L. S. Chandrakant</i> 423
Selected Government Publications	426

1. The first part of the report

2. The second part of the report

3. The third part of the report

4. The fourth part of the report

5. The fifth part of the report

6. The sixth part of the report

7. The seventh part of the report

8. The eighth part of the report

9. The ninth part of the report

10. The tenth part of the report

11. The eleventh part of the report

12. The twelfth part of the report

13. The thirteenth part of the report

14. The fourteenth part of the report

15. The fifteenth part of the report

16. The sixteenth part of the report

17. The seventeenth part of the report

18. The eighteenth part of the report

19. The nineteenth part of the report

20. The twentieth part of the report

21. The twenty-first part of the report

22. The twenty-second part of the report

23. The twenty-third part of the report

24. The twenty-fourth part of the report

25. The twenty-fifth part of the report

# THE INDIAN JOURNAL OF PUBLIC ADMINISTRATION

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Vol. III

October-December 1957

No. 4

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## EXPANDING GOVERNMENT\*

*H. M. Patel*

WHEN asked to give the first of a series of talks on "Expanding Government", I was struck by one thing about the choice of the subject—not "The Expansion of the Government" or "The Functions of the Government", but "Expanding Government" with the clear implication that it is in the nature of governments to expand, that there is something inexorable about this process of expansion of the government. I must confess that I am one of those who get rather uneasy at the mention of anything which moves on inevitably in a predestined direction and I started asking myself whether there was such a natural law which decrees that governments, like ivy, must grow. I had read the famous exposition of the Parkinson's Law in the *Economist*; but I had dismissed it as a rather amusing but somewhat malicious piece of clever writing. Like most of you, I could also recall the remarks of the Prime Minister about the growth of the administrative jungle in India, a jungle in which some 19,000 chaprasis stalk about now as against only 3,200 before the war; but here again, I had the feeling that there was something more to the growth of the Government than the increase in the number of chaprasis in the Central Secretariat. I, therefore, started with a number of questions: What really has been the magnitude of governmental expansion in India in recent years? Is this in any sense a unique phenomenon or is it shared by other countries as well? What have been the factors that are responsible for this growth? How far is it likely to grow in the future? And are there any problems which this process of expanding government creates and to which we must devote some thought?

Take, first, the question of the extent to which the Government in this country has expanded in recent years. This is a question

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\* The text of the first lecture, delivered on August 12, in the series of eight public lectures organized by the Institute on the theme of Expanding Government with a view to promoting better understanding and appreciation on the part of the public of the increasing complexity, variety and expansion of Government activities.

to which it should be possible to give a neat little answer—that the expansion of the Government has been at the rate of so many per cent per annum. But unfortunately, you cannot reduce the growth of a jungle to a simple diagram and in this respect at least, the Government in this country does resemble a jungle. But even a jungle has some broad dimensions and it is to these that I wish to draw your attention in the first place. I am afraid I will have to rely on a number of indicators drawn together piecemeal. With all the administrative and other changes that have taken place in the last two decades, a precise picture is not possible. But the broad picture that emerges is clear enough.

In 1939, the total number of employees on the pay-roll of the Central Government, exclusive of members of the armed forces and railway and post and telegraphs establishments, was of the order of 49,000. By 1951 the number had increased to nearly 170,000 and by 1955 it is estimated to have gone up further to about 190,000. In other words, between 1939-51, the civil establishments of the Central Government were virtually quadrupled. According to a census undertaken by the Central Statistical Organisation a few years back, the numbers employed in the civilian establishments of the Central Government showed a slight decline between 1948 and 1951 so that the entire four-fold growth that took place during 1939-51 may be said to have occurred during the war and the early post-war years. The expansion in the Central Government continued even after Independence, but it has been on a much more modest scale than during the second world war. The increase between 1951 and 1955 works out at about 12% or roughly 3 per cent per annum. And if we assume, as there is reason to assume, that the civilian establishments at the Centre showed little change in over-all employment during 1948-51, the rate of increase since 1948 would work out to a little less than 2% per annum.

The figures I have just been quoting refer to the civilian establishments of the Central Government exclusive of railways and post and telegraphs. If all categories of employment provided by the Centre are included, the picture for recent years would not be materially different as far as the rate of growth of the Central Government is concerned. According to figures published regularly by the Central Statistical Organisation, employment in Central Government increased from 577,386 at the end of 1950 to 669,439 at the end of 1956—i.e., an increase of roughly 16 per cent in six years, or roughly  $2\frac{1}{2}$  per cent per annum. These figures are exclusive of employment in railways as the growth of railways is not strictly relevant to the present purpose.

Employment in Indian Embassies and Missions abroad is also excluded; but contrary to the general feeling, total employment in Indian Embassies and Missions abroad is small in absolute terms—some 3,600 on 30th June 1954 inclusive of locally recruited staff.

In a Federal country like India, the Central Government accounts for only a small part of the employment in Government service. The size of the Government should also take into account State Governments and local authorities and for some purposes, it is useful to include employment in government commercial undertakings such as railways. Unfortunately, the statistics on employment in India are woefully inadequate and it is not possible to point to any definitive figures to indicate the growth of governmental activity as a whole in recent years. Many of you will recall the long list of difficulties enumerated by the National Income Committee in their discussion on the measurement of the working force in India and its occupational distribution. No data are available in respect of employment in local governments, port trusts, municipalities etc. on a regular and comprehensive basis. The budgets of the Central and the majority of State Governments give an indication of sanctioned strength of staff; but this information is not made available in a readily useful form. Employment in defence service is not released for security reasons. The population census is taken once in ten years, and even here, the occupational classification leaves much to be desired. A teacher in a government school may be classified either as a teacher or as a government servant. After making a number of qualifications, however, the National Income Committee ventured an estimate that total employment in government administrative services in India (inclusive of armed forces) was of the order of 39 lakhs in 1950-51. If we add to this employment in railways, posts and telegraphs and in other commercial departments of the Government, the total would come to some 55 to 56 lakhs. If we want to get an idea of total employment provided by the Government, we should also take into account the number of teachers, doctors and other professionals employed by the Government as well as the persons employed on government contract work. Unfortunately, we have no estimates of public employment in these sectors. But as a rough guess, it can be said that total employment of all kinds provided by the Government in 1950-51 was not in excess of 70 to 75 lakhs out of a total working force of some 143 million. Public employment in 1950-51 may thus be put at roughly 5 per cent of total employment—i.e., roughly one out of every 20 persons at work was employed by or on behalf of the Government. It is even more difficult to attempt an estimate for later years; but it is, I think, unlikely that

employment in Government today should exceed the figure of 80 to 85 lakhs or some  $5\frac{1}{2}\%$  of the total working force of more than 150 million.

This, then, is the rough picture we get of the expanding government in India—a very considerable expansion during the war and the early post-war years followed by a modest but steady increase in recent years, with the position reached today in which one out of every 18 or 20 persons at work in the country is working for the Government. This is a picture painted, as it were, with a broad brush. But how does it compare with the trends in other countries?

## II

My task in comparing the trends in India with those in other countries is rendered considerably easier by an extremely interesting study published recently by the National Bureau of Economic Research in the U.S.A. on "The Growth of Public Employment in Great Britain". This study surveys the growth of government employment in Great Britain since 1891 with a comparative picture of the position in the United States and I recommend it strongly to any young aspirant for a Ph. D. degree. Any study on the same lines for India would, I am sure, earn a doctorate degree at any University in this country.

Let me mention some of the salient facts that emerge from the study I am referring to. In 1950, some 11% of the total working population in Great Britain was employed in the civilian branches of the Central and the local Governments. If armed forces are included, the share of government employment in total employment in Great Britain was 14% and if the nationalised industries and services are also taken into account, this share works out to as much as 24.3 per cent. Thus nearly one out of every four persons employed in Great Britain in 1950 was employed by the Government in the all-inclusive sense of the word. It is this figure which should be compared with the rough figure I gave some time back for India where one out of every eighteen to twenty persons at work is employed at present by the Government. Even if we make some allowance for the acts of denationalisation since 1950 in Great Britain, the fact is clear that relatively to total employment, employment in Government service in Great Britain accounts for a much larger proportion than in India. If the experience of the U.K. is any guide, therefore, we can look forward to quite a considerable expansion of Government in this country notwithstanding the expansion that has already taken place. Surprisingly, the present position in India where some 5 or  $5\frac{1}{2}\%$  of the working force may be estimated to be in Government service compares

with the situation in Great Britain at the beginning of the present century when 5.8% of total employment in the U.K. was provided by the Government. Even in the U.S. for which the figures are not strictly comparable, the share of the Government in total employment was 4.7% as early as 1900 and had risen steadily to more than 12 per cent by 1950. In absolute numbers total government employment in the U.S. in 1950 was nearly six times as great as in 1900—or nearly five times as great as in 1900 if defence forces are excluded.

I have chosen the examples of the U.K. and the U.S.A. as they show a picture of expanding government over a fairly long period. International comparisons are always somewhat misleading. But I think the conclusions I am driving at are unmistakable. The phenomenon of expanding government is universal and long-standing in character. It is by no means confined to India or to the period of the second world war. The present position in India compares roughly with that in the U.K. and the U.S. several decades ago so that a further sizeable expansion of the government relatively to the rest of the economy would seem to be a certainty if historical comparisons have any meaning at all.

What are the factors that have been responsible for the almost ubiquitous growth of the Government in the last fifty or sixty years? I shall come a little later to the special factors that have been in operation in India over the last two decades or so. But the phenomenon of expanding government is universal enough to demand a general explanation.

Essentially, I think, the growth in the functions and size of governments is a manifestation of two factors: of the growing complexity of modern life and of our growing awareness of the dignity and rights of human beings as human beings. I am aware that it is something of a paradox to explain the growth of governments in terms of greater awareness of the importance of the individual. The habit of thinking of the State as something in opposition to the individual is perhaps natural for the present generation which has witnessed so much cruelty and carnage unleashed in the name of the almighty State. But put in its proper historical perspective, I think it has to be recognised that the growing functions of the State everywhere are in part at least a manifestation of the general increase in social awareness. We are not content today with poor laws and the means test—the stern morality of Victorian days which explained poverty and misfortune largely in terms of individual short-comings is a thing of the past. Private charity is no longer as respectable as it used to be. Citizens of modern States demand certain minimum things as a matter

of right. Two world wars and the common sacrifices demanded by them have given impetus to the feeling that those who must be prepared to die for the State have the right to insist that while they live, they must live tolerably well. The growing responsibility of the State or the Government for social security and for welfare measures—health, education, recreation facilities, cultural activities, old age pensions and so on—is one of the most important factors in modern life. Whatever may be the differences in the view-point of different persons about the legitimate functions of government in the social and economic sphere, it is, I think, agreed on all sides that social security and a minimum of economic well-being are things which every State must provide to its citizens.

Consider, for instance, the phenomenal growth of the Ministry of National Insurance in the United Kingdom. This Ministry started its career in the first world war when it employed about 3,000 persons. It was disbanded during the inter-war years and revived during the second world war. In 1945, it employed some 5,500 persons and the number grew to more than 35,000 in 1950—a nearly seven-fold increase in five years. Even in the United States, the Government has always taken a serious view of the minimum amenities of life that the State must provide to its citizens, and in one respect at least, it has had an almost unrivalled record in the world. I am referring, of course, to the increasing role played by the U.S. Government in providing free education to its young citizens. The number of persons employed in public educational institutions in the U.S. increased from 483,000 in 1900 to nearly a million and a half in 1950. The corresponding increase in the U.K. was from 150,000 to 330,000. Looked at from another point of view, one out of every forty persons employed in the U.S. in 1950 was employed in public educational institutions whereas in the U.K. the corresponding proportion was one out of every seventy employed persons. My point is that whatever the political professions of a country may be, there are at least some fields in which they all take pride in being the first in the world in providing a minimum of amenities to all its citizens.

It would, however, be a mistake to argue that the expansion of government in recent years has been entirely in response to the growing social awareness of people. It would, I think, be equally mistaken to consider that the growth of governments reflects essentially a change in ideology, from belief in *laissez-faire* to some other belief in Socialism or in the Welfare State or what have you. Changes in ideologies are more often than not a mere rationalisation of changing needs. And in the case of growth of governments, the mounting complexities of modern life have as much to do with it as the impact of changing



ideologies. Governments, like doctors and lawyers, thrive on the misery of others. From time immemorial, it has been recognised that it is the duty of governments to set things right when something is amiss—that they must control and regulate things so that calamities like war and wide-spread starvation are avoided. We would be making a mistake, I think, if we flatter ourselves that the emergence of governments as trouble shooters is something peculiar to our generation. What seems to have changed is that with the growing complexity of the modern industrial system and with the growing interdependence of different countries, the occasions for conflict and disasters have also increased with the result that the State has to make more and more elaborate arrangements merely to keep things on an even keel. Waging of a war—or being prepared to defend yourselves—implies these days a mobilization of armies as well as of supplies for the whole nation. Thanks to the fact that we have all come closer together as nations, diplomacy has become an essential business for every country in the world. To the disasters of nature are now added fluctuations in demand from far off countries and slumps and swings in terms of trade. The economic influences which impinge on the well-being of ordinary men are so complex and so far removed from their ken or control that the State has to step in in many ways to guarantee prices, control credit, negotiate barter deals with other governments and so on. Governments have to reckon with a whole host of uncertainties even if they are interested merely in performing the normal functions of law and order and defence and a measure of protection against unforeseen calamities.

I wonder if the nineteenth century liberals did not themselves dig the grave of their pet child, *i.e.*, *laissez-faire*, by advocating at the same time specialisation and division of labour to the maximum possible extent. When you have a great deal of specialisation, you also have a great deal of interdependence. And with each depending on the other, the chances of conflict increase and so also the need for someone to hold the scales even and to smooth things out. But be that as it may, it is I think clear that the phenomenon of expanding governments is something more than a mere moral or ideological phenomenon, that it is something inevitably linked with the nature of the modern industrial and international system and that to that extent, at any rate, it is an abiding phenomenon.

### III

I have spoken so far in general terms about the factors responsible for the growth of governments. These factors have been in

operation in India also in recent years. But speaking of the last two decades in India, there have been several special factors at work as well and the sequence of events has been in some respects different in this country from, say, that in the U.K.

The big spurt in governmental activity in India came during the second world war. The tradition of *laissez-faire* in this country broke down completely during the war even under foreign rule. With the entry of Japan in war in December 1941 and her initial successes India became an important base of operations, not merely in terms of military strategy but also as a supplier of the materials required for the prosecution of the war. Overnight as it were, the Government of India which till then had exercised only limited administrative functions had to transform itself into an active agency in charge of producing or procuring a large variety of goods. It is in this period that many of Government's activities in the field of promoting industrial development began. In its origin, for example, the present Development Wing of the Central Government is a war-time phenomenon. The procurement of war supplies inevitably led to the problem of war finance and the measures to alleviate the shortage of civilian goods. Looking back, the inflationary impact of the war on the Indian economy was left unnoticed by the then Government of India for an unconscionably long time. It was not until 1943 that the Government realised that there existed a problem of civil supplies in respect of essential commodities. The Department of Industries and Civil Supplies was then created and entrusted with the task of ensuring that prices of consumer goods were held in check. A great many devices of control and regulation were introduced, thereafter, and several of these, such as the textile control and the capital issues control, in a modified form survive till today. The Bengal famine highlighted the situation. The precarious agricultural and industrial base of the economy was also brought out sharply during the war and a beginning was made with the preparation of blueprints for a number of developmental projects which have been taken in hand after the war. The Sindri fertilizer factory was conceived of during the war. In India, the transition from a *laissez-faire* attitude to a net-work of government controls and regulation and even positive participation in economic development was made swiftly during the war. The stage of the Government expanding its functions in the direction of social security or a Welfare State was skipped completely—or almost completely.

The war-time distortions in the economy continued even during the early post-war years with the result that there was no relaxation in the hold of the Government during this period. And with

Independence, a number of new factors emerged giving a fresh impetus to the expansion in Government. Apart from the problems of rehabilitation and of creating the paraphernalia of a parliamentary democracy, the Government of India had of necessity to give a new dimension to some of the traditional functions of a government such as defence and external affairs. Even during the war, the responsibility of the then Government of India for defence was largely a nominal one. Much of the planning for defence was done in London and the Defence Department in New Delhi acted largely as an indentor on the basis of requirements worked out in London. All this had to change after Independence—the responsibility for defence and for organising military supplies became a more real one and the Government had to set afoot a series of plans to promote production at home with a view to strengthening our defence potential. External affairs also acquired an altogether new meaning after Independence.

But the most important departure in regard to the functions of the State in the post-Independence years has been in the sphere of economic policy. I have already indicated the extent to which the traditional *laissez-faire* attitude to economic matters had given way under the stresses and strains of war finance. But with Independence, the responsibility of the State for promoting economic development and economic justice became a firmly established tenet of State policy. This new responsibility which was enshrined in the Directive Principles of the Constitution and the Industrial Policy Resolution of 1948 received a further recognition with the establishment of the Planning Commission in 1950. A poor country with rapidly increasing population cannot lift itself from the quagmire of stagnation without a planned and integrated effort at raising savings and investment and at spreading the use of better techniques among millions of small and ill-organised producers. Without extensive effort on the part of the State to create the preconditions for enterprise and investment, the economy would for ever remain entangled in the vicious circle of low productivity, low savings, poor techniques and low incomes. That is why the State in India has assumed in recent years the responsibility for creating the basic social and economic overheads of development such as health, educational and research facilities, improved transport and communications, power and irrigation works, credit and marketing and warehousing facilities, community projects and national extension service, marketing boards for handicrafts and small industries and so on. An under-developed country bent on advancing economically has to provide afresh a lot of general amenities and facilities which are taken for granted in more fortunate countries. In the sphere of economic legislation also, we had to erect in a

short-time the kind of super-structure that had existed for a long time in economically more advanced countries. The revision of the Company Law, of laws governing labour-management relations, or the regulation of industry or banks by legislative enactments are all examples of the kind of paraphernalia which most civilised States have created for promoting economic efficiency and justice. But in our case, the legal super-structure had to be created in a comparatively short span of time. More recently, the responsibility of the State in promoting industrial development directly has received an emphatic recognition in the new Industrial Policy Resolution and in the acceptance of a socialist pattern of society as the goal of economic policy. All in all, in economic and social matters, we have been attempting in the last few years to make up for the lag of several generations—a lag created by an attitude of *laissez-faire* on the part of the foreign rulers. What other countries built up by way of economic and social institutions and regulations or by way of basic social and economic amenities over generations, we are trying to build up over a decade or two. It is no wonder then that the functions of the Government and the size of the Government have grown steadily over recent years. The surprising thing is not that the Government has grown in size but that it has grown so little in relation to its expanding functions.

Perhaps the most remarkable aspect of the expanding functions of the Government since Independence—and one in respect of which there has been a definite new departure from war-time developments—is the responsibility assumed by the State for the cultural renaissance in the country. I am afraid the extent of the cultural revival in recent years has not received the attention it deserves from most of us. But any one who thinks of the activities of the government in the field of art, literature, music, dancing films, theatre, children's books, youth festivals and so on cannot but be impressed by the record of the last ten years in the cultural field. The expansion of the government, then, is not simply a dull and dreary tale of controls and regulations or even of projects and economic planning; there is place in it for a record of determined effort to bring some rhythm and colour and recreation to the life of the toiling masses.

So much for the factors responsible for the growth of the government in recent years. To turn to my next question, how far will this process continue in future? In a sense, I have already answered this question when I gave you a brief resume of the experience of the U.K. and the U.S.A. But apart from historical experience it is clear that while much has been achieved in recent years, we have a long way to travel yet before arriving at even tolerable living conditions for most of our people. The Indian economy has not yet reached that

stage of dynamism when its further steady progress in future can be taken for granted. While a beginning has been made in many directions, we have yet to carry forward our effort in social as well as economic matters and the guiding and directing hand of the State will be needed for many years to come. I wish I could also say that the Government has made satisfactorily rapid progress in the direction of social security. We have made a beginning no doubt with provident funds and medical facilities for the bulk of industrial labour. But, by and large, the provision of security or a minimum of social amenities for all has to wait till sufficiency of production is achieved, so that in one respect at least, the expansion of the government is still largely in the future. Anyone who doubts this can recall the figures I gave some time back about the U.S. and the U.K. and the shocking inadequacy of health and educational facilities in our country today. On the whole, therefore, we can confidently look forward to further expansion of the Government in the years to come.

#### IV

This brings me to the last of the questions I raised in the beginning of my talk : What are the problems or difficulties that are created by the continued expansion in Government and how do we tackle these? The fact that not only has the Government grown in recent years but that it is likely to grow still further in the years to come makes it all the more necessary to examine the problems which are thrown up as a result of the expansion in governmental activity. I am afraid there are no simple solutions to many of these problems and I can do no more than merely hint at the problems.

Broadly speaking, the problems that arise in the wake of governmental expansion may be grouped under two heads : external and internal. By external problems in this context I mean the problems of the relation of government with outside agencies—*i.e.*, parliament, the press and the people. Internal problems relate to the efficiency of the governmental machinery itself in discharging its functions. I shall have less to say on the external problems although, in my view, they are by far the more important and intractable. Most of us, I am sure, do not share the almost psychopathic fear of some people that any expansion in State activity inevitably leads to serfdom. But it must be recognised at the same time that the expansion of governments creates the problem of safeguarding individual freedom, of establishing sufficient communication between the government and those who are affected intimately by its decisions. Public relations, keeping the public informed, being attuned to the changing pulse of the people—all these things assume greater importance as governments

cast their net wide over the life of the people. In parliamentary democracies, certain safeguards are no doubt provided. But parliamentary democracies have their own set of problems—the problem of accountability to the Parliament, for example.

The security of governmental decisions by the parliament is an essential and indeed vital business in a democracy. But with the wide variety of functions that governments perform these days, the procedure for scrutiny must be appropriate to specific activities. It must, on the one hand, ensure the necessary degree of freedom of action for the executive without which efficiency and initiative would be imperilled, and on the other, inspire in it the appropriate sense of responsibility without which a parliamentary system of government would lose its essence. All of you are familiar no doubt with the controversies regarding parliamentary control over the management of public enterprises; these controversies show how very real is the apprehension in the minds of the representatives of the people that bureaucracy is somehow gaining the upper hand, as also how great is the need for understanding the complexities of administration in different fields, in the management of industrial enterprises, in the formulation of economic policy and in the enforcement of controls and regulations which are inseparable from planned development and indeed in every aspect of government. I have no easy solutions to offer; but it is clear that as governments expand, the problem of establishing satisfactory relationships between governments and parliaments assumes a more complicated garb.

In a democratic society, the relations between the government and the press and the people are no less important than those between the government and the parliament. The greater the range of governmental activities and the more rapid the rate of increase of these activities, the greater is the need for a vigorous and independent press to interpret and evaluate the actions of the government. No one who has been in touch with the Indian press in the last decade or so can fail to notice the comparative lack of clarity, vigour and sense of direction and independence in most editorial comments and the absence of critical evaluation of all but the larger issues of public policy. To a certain extent, the responsibility for the failings of the Indian press lies with the government in that the government itself has been unable amidst its myriad preoccupations to maintain an adequate flow of well-digested and analysed information to the press. Many of our pronouncements of policy carry with them little background information regarding the facts and objectives which warrant our policies. To some extent, the inadequacy of trained personnel in the country also makes for the deficiencies of the press. But clearly, this is an

aspect of expanding government which deserves some consideration on the part of those interested in public affairs in the country.

The relations between the people and the government are a perennial problem. The mere forms of democracy do not yield its substance. The proper interplay of governmental leadership and initiative on the one hand and of popular will on the other is a difficult enough business in any case requiring much experience and experimentation. The size and diversity of our country and the lack of education on the part of most of our people do not make our task easier. But the fact that popular reactions in India almost always degenerate into violent agitations or grossly exaggerated accusations of corruption, inefficiency and worse on the part of government servants and even Ministers would suggest that here again there is scope for a careful evaluation of the present state of affairs. An expanding government has to be all the more watchful of its relations with the people who ultimately give meaning to governmental activity in a democracy.

## V

Coming to the internal problems that arise as governments expand, the most important one is that of co-ordination. As students of Indian history, we are all familiar with the tendency of local chiefs to carve out little kingdoms of their own as empires grow. And the same tendency towards departmental independence appears as governments expand. A certain amount of delegation and independence is no doubt essential in any well-run system. But with myriads of departments and agencies and with the growing interdependence of different things, the task of co-ordination—of ensuring that the different aspects of government policy dovetail into a rational and integrated pattern—assumes special importance. The task of co-ordination is particularly difficult in a federation where the party system has not yet crystallised into clear-cut ideological divisions. At the highest level, the joint responsibility of the Cabinet, the National Development Council and the Planning Commission provide the requisite machinery for co-ordination. The National Development Council which is the supreme planning authority in the country has represented on it the Chief Ministers of all the States, the ministers of the Central Cabinet and the members of the Planning Commission. The meetings of this Council provide a useful forum for co-ordination of policies. The formulation of our five year and annual plans and of the annual capital budgets also provide opportunities for co-ordination at the highest level. In the Central Cabinet itself, there are a number of committees to formulate policies on specific matters such as the

Economic Committee, the Oil Committee, the Heavy Industries Committee and so on. For the day-to-day functions of execution of policies, the co-ordination machinery is still somewhat in its infancy in India. In economic matters, the Department of Economic Affairs in the Ministry of Finance is responsible for bringing about the necessary co-ordination. But while nothing is easier than establishing a machinery, the substance of co-ordination can only be achieved when there is a well-established tradition in matters of co-ordination, when a certain blending of outlook and personalities obtains among the co-ordinators and the co-ordinated.

There is the further difficulty that co-ordination pre-supposes a machinery for establishing facts—a machinery which works efficiently, expeditiously and impartially so that the facts are always at hand and seldom in doubt and the differences to be resolved are clear from the outset. This is far from being the case today, partly because of the very pace at which the government is expanding its activities and in part also because of the dilution of quality at the intermediate levels and the dearth of technical personnel with adequate appreciation of administration. In regard to the latter, departments have unfortunately not always been able to resist the temptation to use them—the technical personnel—as lawyers for urging specific points of view rather than as scientists looking at specific problems. But be that as it may, co-ordination is of vital importance in a growing organism. A certain amount of awkwardness and lack of co-ordination is perhaps natural in a period of rapid growth. We all know something of the tantrums of the adolescents whose hearts often run ahead of their minds or vice versa and who do not know how precisely to carry their hands or their heads. And adolescents are highly individualistic creatures. But when all the concessions to human nature are made, pulling together there has to be.

Adequate training facilities is another problem that an expanding government has to face. I am not referring so much to the training required before the period of service as to in-service training or to training on the job. No one can grow into more and more difficult jobs without some apprenticeship, some guidance from more experienced people, some time to sit back and prepare for new assignments. But such is the pace at which government is expanding that those who are in a position to train others have no time to spare and those who are able and energetic enough to want to grow into higher responsibilities cannot be spared even the minimum leisure necessary for equipping themselves. Even for the technical personnel—economists, scientists, engineers, etc.—who are employed by the government, the necessary facilities for refresher courses, study leave etc. cannot be granted on



the scale desirable for want of adequate personnel. This is a matter which deserves careful consideration for without the necessary investment of time and energy on the part of all concerned in training themselves or others, we are bound to remain in a situation where every expansion in governmental activity would find us progressively less prepared in regard to suitable personnel at the higher levels.

## VI

There is another problem which arises as governments expand and which has not so far received adequate attention. I am referring to the problem of the technical personnel in government. With the large number of specialised jobs that governments have to perform these days, it is no longer possible to rely only on general-purpose administrators, however high their calibre may be. It is no coincidence that with the expansion of the government since 1939, the number of economists, statisticians, accountants, legal advisers, engineers, scientists and similar technical personnel employed by the government has increased considerably. The functions of these technicians, the conditions of their recruitment and their terms of service, the relationship between technical and administrative personnel—these and similar problems deserve a great deal of careful consideration. Technicians have come to stay and administrators will circumscribe their own usefulness by studied indifference to them. I hope, on their part, the technicians can see some point in having general-purpose administrators. Controversies about the relative usefulness of the one or the other are as useless and childish as controversies about the respective contribution of the eye or the ear or the nose to human happiness. And yet, it is by no means easy to outline the best possible way of utilizing technicians? Should we distinguish between the different kinds of functions performed by technicians—functions of servicing others, functions of advice and functions of research? Is it a good idea to create a separate service or cadre for each specialised category of technical personnel or should we provide for a dovetailing into the regular administrative cadres at least in some cases? Is it sensible to obtain technical advice on the basis of permanent employment or should we, in the case of advice at the highest level at least, rely mainly on short-period deputations from universities and business houses? Perhaps the answer to these questions—as to most questions—is yes-and-no. We have had some experience of technicians being successfully in charge of the highest administrative posts in some departments and I for one see no harm, in principle, in experimenting further with this idea in suitable cases. It would also be desirable if we separate a little more the functions of advice and

research in government, for even technical advice in day-to-day matters requires a little more than purely technical expertise. There is also need for giving greater security of service to technical personnel at junior levels without impairing the chances of recruiting suitable advisers at higher levels for short periods from outside the government. From time to time, it would also be desirable to recruit technicians into regular administrative cadres—as we have done in connection with our emergency recruitments. There is no justification for a closed shop either in government or in industry at a time when there is general shortage of trained and tried personnel. Our experience in employing technical personnel in large numbers is only over a short period of years. But it would be worthwhile assessing this experience and examining whether all is well with a system which has grown almost at random, often on the basis of purely personal relationships between particular technicians and the people in the government. It should not be difficult to find workable answers to the questions I have raised by assessing our own experience and that of other countries.

I have deliberately kept to the last the one problem which comes most readily to mind when we speak of expanding governments. Granted that the expansion of the government in India corresponds more or less to the growth of legitimate governmental functions, how do we ensure that there is not too much expansion, administrative waste and unnecessary proliferation of bureaucracy? He would be a bold man indeed who would profess that all expansion in the size of our government is justifiable. In a sense, the bigger the government grows the more difficult it becomes to check senseless expansion. The staff created for specific functions tends often to survive long after the functions have ceased to be necessary. The need for co-ordination is nowhere greater than in regard to elimination of waste and duplication. In the absence of proper co-ordination, the tendency naturally grows for everyone to appoint his own staff for all purposes irrespective of the existence of similar staff elsewhere. We have instituted various procedures for exercising a check on unnecessary expansion—the Organisation and Methods Division, Economy Units in Ministries and so on. Paradoxically, these economy measures can themselves be sources of unnecessary expansion unless they are properly conceived. It is possible for the economisers also to proliferate far beyond the needs of efficient administration. Here again, it is not the existence of machinery which is of the essence of the matter but the kind of attitude on the part of everyone that is brought to bear on measures leading to expansion as well as economy. Your economiser is often penny wise and pound foolish. It is not always by appointing,

less paid staff or abolishing posts that effective economy is achieved. Real economy measures must embrace a review of the totality of governmental operations, the procedures for taking decisions, the inter-connections between different agencies. The key to economy again is in co-ordination.

To conclude, the expansion of government—in India or elsewhere—is not all a matter of Parkinson's Law. Dead-wood there undoubtedly is in this process and certainly some empire-building; and we shall have to be ever vigilant for getting rid of the former, and for keeping the latter under rigid control. But there are also other abiding forces that have been at work, forces which originate in man's desire to wrest from the complexity of modern life a secure and satisfactory future for all. The process of expanding government is by no means free from dangers. Nor is it something free from difficulties of its own making. But within limits, expansion is inevitable and desirable. To regard every expansion in government as a sign of inefficiency and waste or, worse still, of infringement of individual liberty would be to betray a gross misunderstanding of the social and other forces in operation in all civilised societies. Let us by all means be ever vigilant about this process of expanding government. The course of wisdom undoubtedly is to regard governments as subservient to human ends—as necessary as we consciously and collectively wish them to be, but circumscribed nevertheless by the ultimate supremacy of the ends in view. But if we as members of modern societies demand of our governments responsibility for ever-growing functions, it would be short-sighted indeed to develop uncritical hostility to expanding governments.



“In administration, as in most things in life, it is not only what one does, but the manner of doing it, that is exceedingly important, especially in dealings with large masses of human beings. Of course, what you do is important enough but the manner of doing is no less..... The administration has not only to be good but it has also to be felt to be good by the people affected.”

—JAWAHARLAL NEHRU  
(in Presidential address at the Third  
General Body Meeting of the I.I.P.A.)

## PROBLEMS OF UNIVERSITY ADMINISTRATION\*

*C. D. Deshmukh*

**T**HE task of public administration is to carry out the national programmes of development, programmes which are based on the assessment of the needs and resources of the country and which represent a systematic effort to translate into action the goals of social and economic policy prescribed in the Directive Principles of State Policy embodied in the Constitution. What is true of the whole field of development is also true of its various sectors, not the least important of which is education. In their report on the Second Five-Year Plan, the Planning Commission have recognised that the system of education has a determining influence on the rate at which economic progress is achieved and the benefits that can be derived from it. Economic development, they observe, naturally makes growing demands on human resources and, in a democratic set-up, calls for values and attitudes, in the fostering of which the quality of education is an important element. They point out that behind the tasks of development in all its branches, particularly the improvement of education in universities, lie these more fundamental aims and that these values and attitudes would be realised in every-day life in the measure in which they are expressed through educational ideals and practice.

In the field of university administration, the function of the administrative agency is to fulfil the responsibilities vested by the law in the universities. These responsibilities may concern the current range of work or programmes of growth and development. As in the whole national field, the processes of development need review of existing administrative arrangements from time to time, and even apart from the needs of development, a periodical review of administrative arrangements seems essential in order to ensure that the nature of the machinery devised and its quality and efficiency are in perfect accord with the changing circumstances of this dynamic modern work. A recent survey of the "The Organisation of British Central Government—1914-1956" concludes with this observation : "We have seen that the beginning of wisdom in this context is the firm rejection of any belief in the

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\*Reproduced by the courtesy of Ministry of Education and Scientific Research, from the inaugural address delivered, at the Conference on University Administration, on July 30.

possibility of defining a rigid and comprehensive framework of organisation into which every function of Government can be fitted for all time; but we are convinced that within the limits set by the essential need of flexibility the efficiency of the administration can be enhanced by the constant study of the factors influencing the structure of government and by the application of such knowledge as can be distilled from that study."

In the national field, the principal problems which arise in connection with the improvement and strengthening of public administration are firstly problems relating to the achievement of a high degree of integrity, efficiency and economy, and secondly, problems connected with the improvement of the machinery of general administration, particularly that concerned with the development programmes in the districts. But dominating over these problems is the influence of policy on the character of the administration. This involves the choice of goals, determination of priorities and the formulation of sound and feasible programmes, having regard to the availability of resources in the shape of trained manpower. The political executive of the country has to give special attention to the formulation of principles and policies in each field of national activity under a parliamentary democracy as well as to ensure that they are implemented by sustained effort in the public interest.

Devolution of power necessarily plays an increasingly important part in the implementation of complex programmes of action and one of the most important questions connected with administration is that of the devolution of power, accompanied by the minimum safeguards necessary for its proper exercise.

It is likely that as the Second Five-Year Plan proceeds, difficult issues will arise relating less to matters of policy and approach and more to questions of administration and organisation. If the administrative machinery, both at the Centre and in the States, does its work with efficiency, integrity and with a sense of urgency and concern for the community, the success of the Second Plan would be fully assured. Enumerating the administrative tasks before the country, the Planning Commission draw attention to the indispensability of co-ordination in policy and programmes in different sectors of the economy in terms of the objectives and targets set by the Plan. Among the tasks enumerated are, the ensuring of integrity in administration, building of cadres and providing incentives and opportunities for creative service, devising speedy, efficient and economic methods of work, providing for continuous supervision and arranging for objective evaluation of methods and results at regular intervals.

Much that is postulated in regard to public administration will apply to the administrative work in the universities in its narrower sense and it might be of some interest to university authorities to have some idea of the survey of the machinery of public administration promoted by the Government of India in recent years, ending with two reports by Dr. Paul H. Appleby, formerly a Dean of the Maxwell Graduate School of Citizenship and Public Affairs at Syracuse University and before that an incumbent of many public assignments.

My immediate purpose in mentioning Dr. Appleby is to draw attention to two of his important recommendations in his first report which were accepted and acted upon without delay by the Government of India. These were : (1) establishment of a special unit, called the Organisation and Methods Division, charged with the responsibility of making administrative studies and proposing improvements; and (2) sponsoring by the Government of an Institute of Public Administration.

The Organisation and Methods unit is in full working order and the Institute of Public Administration is well established, and I would strongly advise the universities to take all possible advantage of these developments and to seek the assistance of these two new institutions for the continuous and systematic improvement of their administrative machinery. Indeed this has already been done by some universities. I have been informed that at the invitation of the Vice-Chancellor of the Jammu & Kashmir University, the administrative system of that university has been studied and reported upon by the Organisation and Methods unit. As regards the Institute of Public Administration, there is a provision for admission of corporate members, and by a wise decision, the Institute authorities have decided to charge a special concession fee of Rs. 50 only to universities, research institutions and service organisations.

Advantage has already been taken of this facility by some seven universities and colleges or other units within universities, who have already been admitted as corporate members of the Institute. Among those, I am glad to notice the names of the Annamalai University, University of Madras, Osmania University, University of Rajputana, Nagpur University, Utkal University and the Punjab University. I very much hope that the other universities will without delay get themselves admitted as corporate members of the Institute of Public Administration and take full advantage of the work which is being developed there in regard to both the theory and practice of public administration.

In the course of its relations with the various universities, the University Grants Commission has come to the conclusion that it will be worth the while for most of the universities to have a thorough

examination made of their internal administrative machinery in order to secure despatch in the carrying out of development plans for which finance is available. It is possible that the problems in this field in the case of universities are not of such a vast and baffling nature as in the case of the far-flung and complex operations of State or Central Governments. There may not be reasons to fear that there are superfluous employees, and charges of prevalence of bribe and favouritism or the deterioration of efficiency may not have the same significance as in the case of Government agencies. Nevertheless, I feel that no opportunity should be lost of streamlining the detailed administration of the offices maintained by the universities.

One of the difficulties experienced by the University Grants Commission in its dealings with the universities is that information sought on various matters cannot be quickly obtained from the universities. There appears to be some bottleneck in university administration which delays or hinders the collection of statistical and other information and despatch of the same to the University Grants Commission. We have found also that reports on the utilisation of grants paid to the universities do not come in regularly and in some cases do not come at all. The U.G.C. office has a long list of cases in which, in spite of reminders, satisfactory information has not been forthcoming. Sometimes this is due to the fact that grants are not in fact utilised as they should be but more often it is because of the inadequacies of the administrative machinery in the university concerned.

We have found it almost impossible to prepare up-to-date statements on such matters as the number of students on the rolls of universities, the number of teachers, the number of persons who apply for admission to the various classes and the numbers admitted, etc.

It would appear that none of our universities has a properly developed statistical department and that the records and accounts of universities are not maintained in a manner that would enable abstraction of required information quickly and effectively. It would also appear that the information and public relations side of university administration needs development.

## II

In the context of university education, however, the word "administration" has a far greater content and significance than in the case of Government's operations. Even in the case of the latter, the efficiency or otherwise of the administrative machinery is, in the ultimate analysis, a function of the structure of the State itself and the division of the constitutional responsibility, leading ultimately to accountability and answerability of all organs of government to the citizen. Structure

determines in many ways the whole nature of the administrative process and has in operation much determining influence on general policy. Structure determines where responsibility lies, how and to what extent responsible and controllable delegation takes place, what emphasis should be given to various objectives and how progressive responsibility for decision-making should be distributed.

The prevailing structure of public administration in India in the above sense is one of co-ordination rather than administration, as Dr. Appleby has pointed out, which provides for no continuous line of responsibility for administrative action as between the States and the Centre.

In a sense, the same dichotomy characterises the constitution and control of universities and it is particularly noticeable in the field of university finance. In the university world, in line with experience elsewhere except for a few of the oldest universities, while the main financial assistance or the significant portion of it comes from the State for current expenditure, for development it is derived from the Centre, and implementation of programmes and executive action is almost overwhelmingly with autonomous university authorities. This is one reason why administration is so uniquely important in the case of universities. From the point of view of the States or the Centre, grants-in-aid are often accompanied by conditions to be fulfilled. They are apt to become customary and continuing and not increasing steadily and largely in amount.

The University Education Commission of 1948-49, in chapter 13 of their report, dealt appropriately, therefore, not with university administration as with constitution and control. They had noticed that there were universities then whose administration was unsatisfactory, even in purely academic matters, such as appointment of examiners and awarding of degrees, the procedures and standards in this respect being suspect. They recognised the damage that was caused by this state of affairs and proceeded to outline the kind of constitution for a university which offered scope for achieving and maintaining the necessary improvement. Dealing with the limits of controls, they proclaimed their belief that more control from outside was no way to achieve reform in university education and went on to say that on the contrary a great many of the evils then noticed arose from the fact that most of the universities had no real autonomy whatever, and had proved incapable of resisting pressure from outside. They held that the universities should be sensitive to enlightened public opinion; they should never let themselves be bullied or bribed into actions that they know to be educationally unsound or worse still, motivated by nepotism, faction and corruption. They asserted that



the right public policy was to give a university the best possible constitution, securing among other things, the inclusion of wisely chosen external members on its governing body and then to leave it free from interference.

Almost a decade has elapsed since the University Education Commission submitted their report in August 1949, and the Constitution of India promulgated in the beginning of 1950 embodies many of the recommendations made by the Commission in regard to the relation of universities with State and Central governments. While in List I of the Seventh Schedule (*i.e.*, the Union List), co-ordination and determination of standards in institutions for higher education or research and scientific and technical institutions is the responsibility of the Union Government, in addition to the whole responsibility for what is known as the Central Universities, as well as institutions for scientific and technical education declared by Parliament by law to be institutions of national importance and financed by the Government of India wholly or in part, the responsibility for education including university education, subject to the aforesaid provisions of List I, was vested in State governments. Indeed, it was in exercise of the legislative powers vested in the Union under entries 63 and 66 of List I of the Seventh Schedule that the University Grants Commission Act was passed by the Central legislature vesting in the University Grants Commission various powers and functions for the promotion and co-ordination of university education and for the determination and maintenance of standards of teaching, examination and research in universities. Funds have been placed at the disposal of the University Grants Commission or have been allotted under the Plan for the purpose of enabling the Commission to discharge these functions. The question of administration of universities in its broader sense is, therefore, one of supreme interest to the University Grants Commission.

It is for this reason that the Commission has ordered a thorough examination of the constitutions of the various universities to be made with a view firstly to finding out how far they deviate from the several recommendations made in this behalf by the University Education Commission, and secondly, to determining by fresh review and consideration how far such deviations are found to be appropriate in the present circumstances and how far, in the light of experience gained so far, modifications seem to be called for.

We are aware of some instances of administrative break-down in universities because of conflict between the various "authorities" of the university and because of lack of co-operation amongst the university bodies and university staff. Sometimes the situation

becomes so bad that even students are involved and the academic and moral standards of the university suffer grievously. It is difficult to put one's finger exactly on the cause of such a situation. It certainly has something to do with the character and attitudes of university men and women. But it may also be due to defects in the organisation of the university and the excessive fragmentation of authority. As stated earlier, the University Grants Commission is having an analysis prepared of the Acts of incorporation of all our Universities to see in what respects they differ from the model recommended by the Radhakrishnan Commission, and to discover if these variations have any connection with any problems of discipline or efficiency that may have been experienced in some of the universities. But even on a superficial observation of the situation, there appears to be sufficient ground for suspecting that the difficulties in a number of universities might be due to factors such as these:

- (a) the Vice-Chancellor does not have adequate powers;
- (b) the University Councils are too large and are constituted on representative principles which involve electioneering and encourage party politics;
- (c) the Vice-Chancellor is appointed by the Chancellor on his own initiative and does not enjoy the confidence of the members of the university;
- (d) the Vice-Chancellor's tenure of office is too brief;
- (e) there are too many external members in the Syndicate (or Executive Council) and Senate (or Court) of the university.

The co-relation between any particular element in a university Act and any problem of administration in the university is difficult to establish but where a particular factor has been known to be a cause of trouble, it would obviously seem desirable to remove or modify that factor.

### III

In this connection, it is, I think, worthwhile casting a glance at the contemporary scene in the university world outside India, particularly, Britain. As regards the framework of government *i.e.*, in the matter of organisation and administration, British universities have features which are somewhat unique. In the U.S.A., the University President and a Board of Trustees usually constitute the governing body; they rely only to a limited degree upon faculty recommendation and representation. At the other extreme are most of the universities in other

countries, which are dependent upon central ministries of education *i.e.*, they are a part of the national education system. In Britain, the university system has and is formed by democratic practices perhaps to a much larger extent than anywhere else.

In the older universities of Britain, such as Cambridge and Oxford, the government consists of three bodies which reflect their origin in name and function: (1) The Senate at Cambridge or the Convocation at Oxford; (2) The House of Regents at Cambridge or the Congregation at Oxford; (3) The Council of the Senate at Cambridge or the Hebdomadal Council at Oxford. Essentially, the forms of organisation of the two universities are the same except that at Cambridge the greater power of the professoriate somewhat lessens the power of the Council of the Senate in favour of what is called the General Board of Faculties. Cambridge and Oxford have no local connection, comparable to the modern universities. They are national, indeed international institutions, and are faced with the problem of keeping in touch with a widely scattered constituency. There is a system in vogue of outside representation upon the Appointments Board and the Delegacy for Extra-Mural studies which shows that when necessary a method can be evolved for co-operation with the outside world. Apart from this the only means whereby general outside opinion has been able to influence the working of these ancient universities have been periodical Royal Commissions, appointed on the request of the universities themselves.

The chancellorship at both the universities is honorary and the position is occupied by a distinguished national figure, elected by the combined vote of faculty members and recognised alumni. The chief executive is the Vice-Chancellor. A member or head of one of the constituent colleges, is nominated by the Chancellor or elected by the heads of the colleges. The Vice-Chancellor holds his office usually for three years and is not re-elected at Oxford, while at Cambridge the Vice-Chancellor is elected for a two-year term from two candidates nominated by the Council of the Senate. At neither institution is the Vice-Chancellor given power to intervene directly in the affairs of the university, save through his "speakership" in Council and his membership on committees. He tends to be an instrument of administration, rather than an instigator of it, but his executive functions, it is held by competent observers, are none the less enfeebled thereby.

In response to organisational and administrative structure, all colleges are an inseparable part of the university to which they belong but each one has its own property, its own government, and its own organisation and administration. Degrees are awarded by the university, but the student is "sent down" only by the college. The supervision

of a student's individual work falls within the jurisdiction of the college, but the course of study and the arrangement of lectures, laboratory work and examinations are the responsibility of the university. Although colleges are obliged to pay taxes to the university, they may not receive grants directly from the government. All colleges have their private libraries, but the university maintains the central library and the principal museums, laboratories, administrative offices, gardens and other properties acquired in its name.

The newer universities in Britain are subject to a dual, lay and academic, control through a Court of Governors, a Council, and an Academic Senate. The Court of Governors consists of representative graduates of the university and other important individuals who have a special interest in university policy. The Council is the practical governing agency made up of the administrative heads of the university, members of the faculty nominated by the Academic Senate, lay representatives appointed by the Court of Governors and members at large. Chosen by the Court of Governors, the Council functions in a somewhat similar fashion to an American Board of Trustees. The Senate, composed entirely of faculty members, is concerned chiefly with academic affairs; it also advises the Council. Faculty Boards, which are exclusively internal bodies, handle a mass of academic detail and assist in directing the corporate life of the university. Thus while the system of the government at the old universities might be termed 'direct democracy', at the newer universities, it has been called a combination of an oligarchy and a representative democracy.

Certain unique features characterise Scottish university organisation, which it is not necessary to enumerate here. There is, however, one feature which deserves a mention and that is the Rector, which appointment preserves one of the most ancient traditions of university government. The Rector is elected every three years by the matriculated students. The post is regarded as a very high honour, elections are often keenly contested, and the most distinguished statesmen and men of letters are proud to be nominated. It is part of the Rector's duty to watch over the interest of the student body.

On the Governing Council of the modern universities, there is a wide representation of community interests, including members of the local educational authorities, who work with the National Ministry of Education on behalf of the lower schools. The judgement pronounced with some authority in this connection is that the structure is weighted with lay representation and that the new universities tend to grant little voice to academic members in matters of administration, the extent and continuity of which is assured chiefly by a quasi-permanent Vice-Chancellor.

Since Vice-Chancellors are not chosen especially for their administrative competence or money raising ability but because of their demonstrated leadership among men of their own profession, they have to spend a great deal of time learning administrative duties while in office. Although, as stated above, at Cambridge and Oxford the term of office of the Vice-Chancellor is brief, it is felt that short appointments are perilous from many points of view, since incumbents are unable to win administrative bodies to the support of long-term policies. It is recognised, however, that there is some value in restricting any tenure which would tempt one man to accumulate arbitrary power. A solution has been suggested in the establishment of a dual leadership whereby the Vice-Chancellor would handle major matters of policy and a President or Principal would handle day-to-day administration on a long-term or even permanent basis.

The relation of the teaching staff to the university administration is more intimate at Oxford and Cambridge than in the civic universities of Britain. The administrative bodies of the teaching staff, namely, Congregation at Oxford and House of Regent at Cambridge actually elect the governing councils. At Cambridge, all alumni and faculty members may legally participate in administration. At both universities the administrators are members of, and are responsible to the entire teaching body. In theory, at least no system could be founded more on the rights and dignity of the teacher, but it is acknowledged that the consequent diffusion of power and responsibility tends to restrain action. On the other hand, the advantage is that measures once adopted are likely to be of more significance and more permanence. Whether this by itself is a desirable feature is a matter for consideration in view of the necessity for rapid decisions in response to the forces of national development. These forces may well demand an administrative structure better suited to carry such decisions out. An intermediate position has been adopted in the University of London, where the administration of finances is strongly influenced by the university Senate, which controls educational policies. The Court is the supreme financial authority, but the Senate has dominant representation. The functions of these two bodies are mutually exclusive, but their overlapping membership helps to wed the instructional end of university practice with the means of carrying it on.

There is considerable disagreement among British university leaders as to what shall constitute the ideal pattern of organisation and administration, and there is a wide "spectrum of opinion". This diversity of opinion is of course related to the conception of the fundamental aims and practices of university *i.e.*, all university practices are

a reflection of the university's collective philosophy of education. Therefore, in Britain, as elsewhere, much of the controversy on educational administration is hardly more than extension of the general argument on the purpose of a university.

Perhaps the most vital issue originates in the theory of the separation of the university and the society. George F. Kneller, on whose book on "Higher Learning in Britain", I have drawn extensively, points out that the late Professor Laski held that the older universities were too oblivious of their social responsibilities. Admitting that the larger issues of policy should arise out of recommendations of the members of the teaching staff, Laski wanted greater lay participation in both legislation and administrative control and advocated the representation of all segments of society on the governing bodies of universities. But even among dignitaries of the civic universities of Britain there is a difference of opinion in regard to the desirability of lay representation. While one would go so far as to assert that lay representation is endemic to the very existence of the civic universities, because the policy of university administration must be in keeping with the nation's needs, others equally distinguished are convinced that lay representation usurps the proper prerogatives of the university. It is worthwhile here to remind ourselves that the latter body of opinion has immediate relation to the establishment and administration of what are called 'redbrick' universities in Great Britain, dating from an age when British cities boasted of their prosperity rather than of their bomb damage. National needs and requirements in India have naturally other dimensions and economic and social urgencies than in the cities of Britain. In such a context, some democratic representation will probably be a source of strength to a university, so long as a clearly defined distinction is drawn between what is a proper subject matter for discussion in open sessions, what is considered policy and what is judged to be operational detail and what is to be kept confidential. It would seem desirable therefore, to bend every effort towards enhancing the utility of the lay representation so as to strengthen its potentiality to serve the university and the nation through the university. As Sir Frederick Ogilvie has pointed out, the dual system of administration in modern universities has its moments of friction, but it at least ensures that the educational essentials are the responsibility of the academic staff alone. It can enlist administrative experts who know their business and can save the professors' time and energy for theirs.

Kneller draws attention to what he considers to be two serious defects in the organisation and administration of modern universities. One is that the majority of faculty members below the grade of professors have no legal avenue of direct participation in university

government and thus derive only an imperfect knowledge of what transpires and can little influence what is discussed in the deliberative organs of the university. The other is that the lay representatives may be unsuited to the task of supervising higher learning; also, that they are too often subject to pressures of non-academic nature. The second defect implies the tendency of community control to vitiate the strength of pure scholarship and traditional university teaching by a natural but overzealous desire to satisfy community needs. The university is then called to service, not for the more sublime and enduring ends of learning, but for tasks more appropriate, perhaps, to a technical or training college. It is also felt by competent observers that the concentration of power in the hands of laymen, administrators, and senior academic personnel blocks efforts to promote corporate life among students and teachers. Unless imbued with the passion for the education of persons, administrators prefer to concentrate on the more visible and tangible elements of university growth. The dangers to be guarded against are inhibited corporate growth, administrative isolation, overspecialized procedures, inadequate faculty representation, and excessive lay control. All these matters need careful examination in the light of modern environment and the needs of a modern state, and on their satisfactory solution will depend satisfactory implementation of plans for university growth.

#### IV

A preparatory conference of Representatives of Universities held at Utrecht by the UNESCO in August 1948 brought out the chronic controversy in regard to the fundamental question: What is the role of the university? At one extreme were those who believed that the function of the university was the training of an 'elite by an elite'; at the other were those who believed that universities should serve all young people who could benefit from some kind of higher education after leaving school. The United States, and to a somewhat lesser degree the British Dominions, represented the latter point of view; France, and to a varying degree other European countries, represented the former. The East and the Middle East, still in the early stages of university development, it was thought then had not yet had to face this issue. I am afraid the issue is staring us in the face today and we have to make up our minds in regard to which ideology we shall adopt. Having regard to the fact that we shall be endeavouring to strain to the utmost limit our total resources in an all-out effort to develop the national economy and that there will be no slacks left or decorative fringes on border embroideries, I have no doubt myself that we shall have to restrict university education by and large to the number of university educated men and women that the country

will be needing from time to time and that as regards the rest, the nation will have done its duty by expanding and extending as well as diversifying secondary education, especially of a technical character. It is only then that the States and the Centre will be able to sustain adequately the expanding net-work of universities. It is then alone that firm and dependable arrangements can be made for adequate financing of university education.

## V

In conclusion, I should like to observe that there is an attempt to read too much in the terms 'democracy' and 'autonomy' as applied to universities. I hope I have made it abundantly clear that no subordinate authority or no creature of the legislation such as a university can claim unhampered democracy or autonomy in the sense bordering on sovereignty as against the people of the country, that is to say the citizen who pays for the university and has a set of purposes which he expects the university to fulfil. The essence of democracy in a constitutional sense is a chain of representation and responsibility stretching from the citizens to the organ of administration, plus as much lime-light for the deliberations of policy and the review of the operations of government as is prudent in the prevailing circumstances. These conditions do not exist and cannot in their nature exist in the case of universities, and the ultimate control of the citizen on a university together with all its implications must continue.

Public Administration is policy making and policy making is politics. As an eminent expert on public administration has observed in a volume entitled 'Policy and Administration', "If admission that this is true seems to exalt administration, it must be seen that the emphasis on politics subordinates the administrator, exalts the politicians, and thereby exalts the citizen. Public administration is policy-making. But it is not autonomous, exclusive or isolated policy-making. It is policy-making on a field where mighty forces contend, forces engendered in and by the society. It is policy-making subject to still other and various policy makers. Public administration is one of a number of basic political processes by which the people achieve and control governance."

There is, however, an important caveat to be entered here and that is that the 'politics' governing university affairs must not be of the wrong type. That is, it must not be the invasion of university affairs by political or other cliques by the open-door of democratic election or by political nomination with the object of furthering the private ends of a party or a clique, for an exclusive control over privilege, patronage and power and not for any identifiable ends of promoting the welfare of the nation.



## THE PLANNING COMMISSION

*P. P. Agarwal*

**I**N some ways the central Planning Commission is a unique institution; and in the sphere of governmental organization there has hardly been any recent development comparable, in its practical importance or in its general significance, from the point of view of the "science of public administration", to the growth of the Planning Commission. It is the chief *staff* agency—the nerve centre of national thinking—on matters of planning and development. It has, from time to time, also undertaken some *line* functions, newly emerging from national planning, *e.g.*, general direction and supervision of community projects, enlistment of public co-operation in the implementation of the Plan, etc. The Community Projects Administration was, however, always regarded as a sister organization in the process of development, and it has since been separated as an independent Ministry of Community Development. Though the Planning Commission is an advisory organ of government, it has come to exercise significant influence over the formation of public policies even in matters other than of development and its advisory role in a way extends over the entire administration.

The Commission has been established as a multi-member body and not as a usual single-administrator department. The very composition of the Commission ensures effective liaison with Government. Though the Commission is a staff agency to advise Government in matters of planning and development, Government itself is represented on the body of the Commission. The Prime Minister is the Chairman of the Commission and its members include three Cabinet Ministers—the Minister of Planning, the Minister of Finance and the Minister of Defence. The Cabinet Secretary functions as Secretary to the Commission. The Deputy Chairman of the Commission, and the members concerned, are invited as and when necessary to attend the meetings of the Cabinet and its Sub-Committees. Important economic issues and problems arising in the Ministries are generally discussed in the Planning Commission before they are considered in the Cabinet. Officers concerned in the Ministries are also present at the meetings of the Commission. Thus there is a regular stream of ideas and suggestions flowing from the Commission to the Government and vice versa. This not only imparts an element of realism to the recommendations of the Commission but also inducts a new vitality into the administration.

The Commission embodies a democratic approach to national planning, perhaps the first of its kind in the under-developed countries of South East Asia. Both in the formulation and the execution of the five year plans, increasing stress is being laid on people's co-operation and participation. In fact, the second plan has been built, as far as possible, from the bottom upwards. Planning from below, with a view to taking into account the needs and aspirations of all the participants in national life, has led to the adoption, by the Planning Commission, of a variety of co-ordinating devices and procedures, and the Commission today is in many ways a good example of effective co-ordination, both horizontal and vertical, in the sphere of governmental activity.

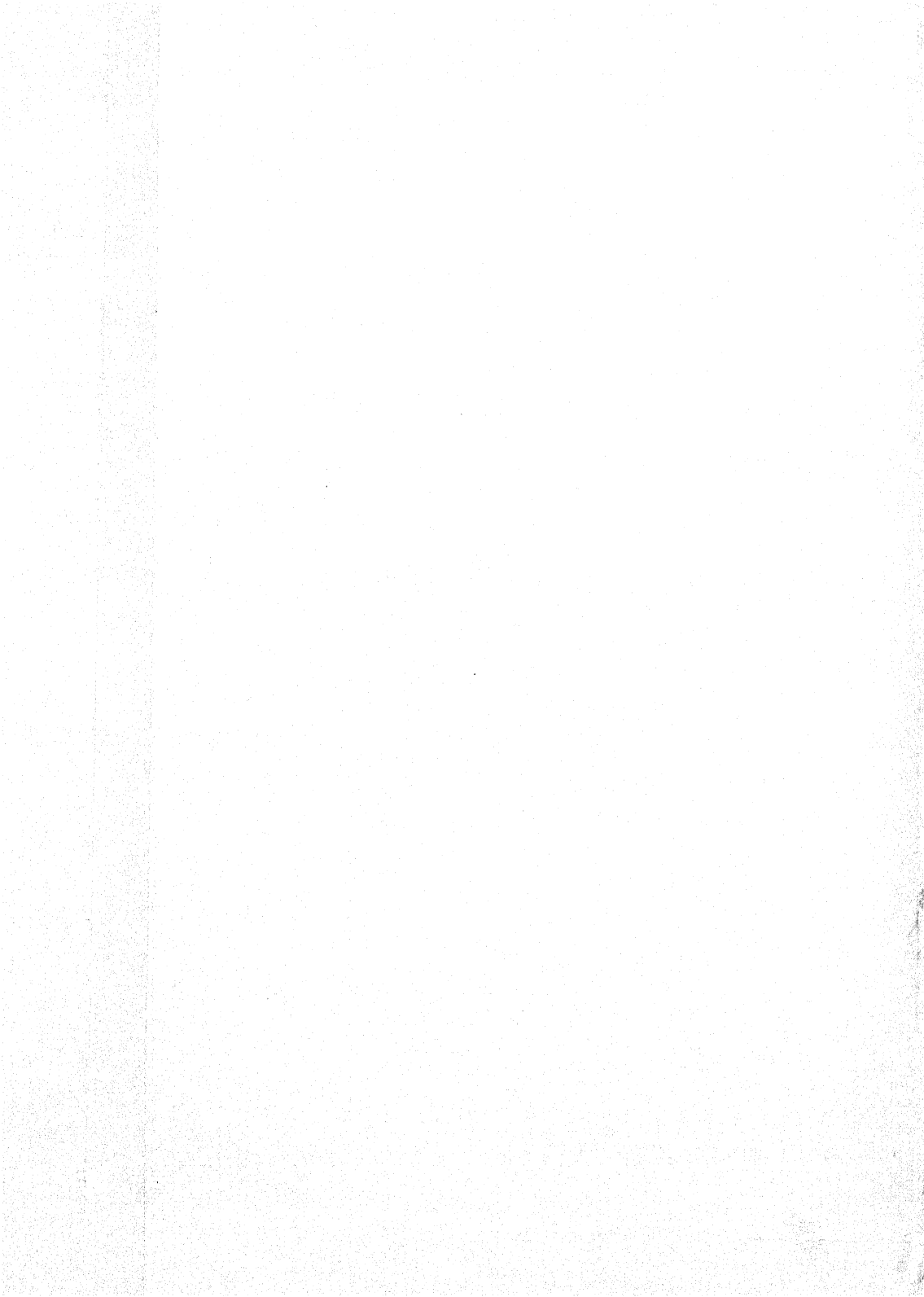
Another feature of the Commission lies in the combination it has achieved between general-administrators and subjects-specialists. The Commission is a 'board' type of advisory organ; its members are eminent men from different walks of public life, each of them having special experience or knowledge of certain fields of activity. They are assisted not only by administrators drawn from the civil services but also by subjects-specialists, the work of the latter being coordinated and integrated by the former.

In matters of organizational growth and development the Commission exemplifies in its own way a well-known general principle, viz., the nature and form of organization are determined by its objectives. On the whole the Commission has shown a fair degree of organizational and operational flexibility, consistent with stability, within the framework of a normal government department.

## II

The origins of the Planning Commission lie in the need for planned development as a means of raising living standards in the country, which assumed importance in the years preceding the second world war. Much useful ground in the field of national planning was broken by the National Planning Committee which was set up in 1938 by the Indian National Congress, with Shri Jawaharlal Nehru as its Chairman. The various sub-committees appointed by the main committee had submitted 16 final and 10 interim reports by the beginning of the second war. The political and other developments which followed the commencement of the hostilities interrupted the work of the Committee. In 1944, the Government of India established a separate Department of Planning and Development and, at its instance, the Central as well as the Provincial Governments prepared a number of development schemes to be undertaken after the war. Problems of





planning were reviewed towards the end of 1946 by the Advisory Planning Board which was appointed by the Interim Government of India. An important recommendation of the Board was the appointment of a Planning Commission to devote continuous attention to the whole field of development so far as the Central Government was concerned.

During the immediate post-war years, the Centre as well as the Provinces initiated schemes of development, but experience showed that progress was hampered by the absence of adequate co-ordination and of sufficiently precise information about the availability of resources. With the integration of the former Indian States with the rest of the country and the emergence of new geographical and economic facts, a fresh assessment of the financial and other resources and the essential conditions of progress became necessary. Moreover, inflationary pressures inherited from the war, balance-of-payments difficulties, the influx into India of several million persons displaced from their homes and occupations, deficiencies in the country's food supply aggravated by partition and a succession of indifferent harvests, and the dislocation of supplies of certain essential raw materials places the economy under a severe strain. The need for comprehensive planning based on a careful appraisal of resources and on an objective analysis of all the relevant economic factors became imperative. It was considered that these purposes could best be achieved through an organisation free from the burden of day-to-day administration, but in constant touch with the Government at the highest policy level. Accordingly the Planning Commission was set up by the Government of India in March 1950.

In defining the functions of the Commission, consideration was also paid to the directive principles of state policy laid down in the Constitution in regard to the securing of social and economic justice. The functions of the Planning Commission were declared as follows :

- (1) To make an assessment of the material, capital and human resources of the country, including technical personnel, and to investigate the possibilities of augmenting such of these resources as are found to be deficient in relation to the nation's requirements;
- (2) To formulate a Plan for the most effective and balanced utilisation of the country's resources;
- (3) To define the stages in which the Plan should be carried out and to propose the allocation of resources for the due completion of each stage on a determination of priorities;

- (4) To indicate the factors which are tending to retard economic development, and to determine the conditions which, in view of the current social and political situation, should be established for the successful execution of the Plan;
- (5) To determine the nature of the machinery which would be necessary for securing the successful implementation of each stage of the Plan in all its aspects;
- (6) To appraise from time to time the progress achieved in the execution of each stage of the Plan and to recommend the adjustments of policy and measures that such appraisal might show to be necessary; and
- (7) To make such interim or ancillary recommendations as might be appropriate on a consideration of the prevailing economic conditions, current policies, measures and development programmes, or on an examination of such specific problems as may be referred to it for advice by Central or State Governments or for facilitating the discharge of the duties assigned to it.

The Commission at present consists of eight members—the Prime Minister (Chairman), four full-time members (including the Deputy Chairman) and the Ministers of Planning, Finance and Defence. The Planning Minister is assisted by a Deputy Minister and a Parliamentary Secretary. The Statistical Adviser to the Cabinet is an additional *de facto* member of the Commission.

All the members of the Commission work as a body, but for convenience, each member has charge of one or more subjects and directs the study of problems in these fields. The Deputy Chairman is primarily concerned with matters of general co-ordination and administration. The Minister for Planning has been allocated certain subjects, like any other member; but he is also responsible for the Commission as a whole to Parliament and the Central Cabinet. Important proposals which have financial implications or which might have repercussions on economic policy are referred to Member (Finance) in addition to the cases submitted to him as a member of the Commission.

All cases involving policy are submitted for consideration at one of the meetings of the Commission. The cases to be considered by the Commission as a whole include recommendations in regard to the formulation and progress of the five year and annual plans, adjustments in the plans, matters involving departure from the plan-policies,

advice to a Central Ministry in a matter to be placed before the Cabinet, important cases involving disagreement with a Central Ministry or a State Government or difference of opinion between two members of the Commission, and any policy matter relating to the internal organisation and methods of work.

The office of the Planning Commission is headed by a Secretary who is also Secretary to the Cabinet. The office consists of three main parts : (1) Programme Advisers, (2) General Secretariat, and (3) Technical Divisions.

Assistance to the members of the Commission in matters requiring field study and observation is provided by a team of three senior officers, known as Advisers (Programme Administration). These officers possess considerable experience of administration in the States and they help the Commission to keep in close touch with the progress of planning and its implementation. They study at first hand the working of the various development schemes, giving greater attention to the more important projects and the projects in which the Central Government gives specific assistance, financial or otherwise. They also give specific attention to the problems of administration, finance and public co-operation in implementing the Plan. They can also be called upon to help in the study of special problems in which the Central or State Governments may be interested. The Advisers (Programme Administration) have the status of *ex-officio* Additional Secretaries to the Government of India. Planning is a continuous process and the Advisers, who feel the pulse of the country in matters of planning and execution, render a valuable service in spotting and removing difficulties holding up the implementation of the plan projects and in speeding up the tempo of the plan execution in general.

The General Secretariat is a relatively small unit consisting mainly of three branches—Plan Co-ordination, General Co-ordination and Administration—and an O & M Section. It is staffed by members of the Administrative and Central Clerical and Secretariat Services. The General Secretariat performs both house-keeping and co-ordination functions. It is responsible primarily for matters of common interest to the Commission. It keeps in touch with questions of general policy, bringing to notice and seeking, according to the needs of a case, the advice of Secretary, Deputy Chairman or individual members or of the Commission as a whole. Its functions are thus complementary to those of Technical Divisions and, depending upon circumstances, important individual questions may be initiated by senior secretariat officers in consultation with the Heads of Divisions or *vice versa*.

The Technical Divisions constitute the backbone of the office of the Planning Commission. It is in these Divisions that data of all types are collected and processed and put in shape to help in the formulation of plan policies and programmes. The Technical Divisions are responsible for scrutiny and analysis of schemes and programmes to be included in the Plan, preparation of material for and reports on the Plan, follow-up on plan recommendations, conduct of technical studies and research, and examination of references from central Ministries, State governments and voluntary agencies in regard to plan projects and programmes.

There is no rigid size or pattern to which these Technical Divisions must conform. They vary in size, depending on the requirements and availability of suitable personnel. Ordinarily, a head of a research unit is described as Chief; where a less senior officer is in charge, he is known as Director. Chiefs and Directors are frequently assisted by Assistant Chiefs. Each research unit consists of some research staff like Senior Research Officers, Research Officers and Investigators and some secretariat staff. The various units work to a common purpose and policy, and in all that is done, they consult one another. There are in all 20 such technical units, both big and small. The small units are called sections and not divisions. They fall broadly into two groups :

- (a) General Divisions, *i.e.*, those concerned with the whole economy from specific points of view, *e.g.*, Economic, Labour and Employment, and Statistics Divisions, and
- (b) Branch Divisions, *i.e.*, those concerned with particular branches of the national economy, *e.g.*, Agriculture, Industry and Minerals, Village and Small Industries, Transport, Natural Resources, Health, Education, and similar other Divisions.

The general scheme of the organisation of Technical Divisions is, in regard to basic principles, not very different from that of the central Ministries. The 'subject-heads' of the Technical Divisions, however, do not correspond in all cases to those of the central Ministries. For instance, there is a separate Section of Social Welfare in the Planning Commission, and separate sections on 'Public Management Studies' and 'Public Co-operation', each of which does not have any counter-part in the central Ministries. These differences are understandable when we take into account the fact that national planning covers not only the activities of the Central Government but also of the State Governments, the voluntary



organisations and private industry. It may be said that allocation of 'subject-heads' between different technical units in the Planning Commission is broadly designed to facilitate national planning rather than promote administrative action as is the case with the central Ministries.

The senior positions in the Technical Divisions are, as a rule, manned by subjects-specialists, having specialised knowledge and experience in their respective fields. The junior research staff is in the nature of economic or social-science analysts. The specialised work of the various technical divisions has to be coordinated and dovetailed together for the preparation of an integrated plan of development. In this regard the secretariat officers, the Advisers and the individual members of the Planning Commission play a significant role as 'general administrators'. They are not subject-specialists, though some of them have a flair for certain fields of work; but they possess, among others, a wide knowledge of public affairs, insight into problems of human relations and administrative organisation and executive talent. As a five-year national plan has to be formulated as a single 'organic unit' and its various parts have to be fitted into each other to make a complete 'whole', co-ordination and integration in the work of the specialists which is attained is of a high order. The 'co-ordinators' of the general-administrator type are thus as indispensable to the central planning agency as are subject-specialists.

Incidentally, many of the Central Ministries have today technical staff in position; this staff is either employed in the technical organisations attached to the Ministries or employed separately as research aide. The Ministries of Finance, Labour, Commerce and Industry, and Food and Agriculture have special research staff to assist them in the planning and assessment of their policies and programmes. The Ministry of Education has a separate cadre of Education Officers drawn from persons with experience of teaching or educational administration. Other Ministries like Works, Housing and Supply, Health, and Information and Broadcasting, have at their headquarters, and in their attached offices, officers with technical knowledge and experience in their respective fields.

One may naturally ask "what is the *raison d'être* for employing research staff in the Planning Commission when such staff, having more or less similar qualifications and experience, is already borne, in one form or other, on the strength of individual Ministries?" There are two factors which justify the staffing of Divisions by technical personnel. First of all, the various schemes to be included in the Plan cannot be screened and assessed without some specialised knowledge of the field to which they relate. Secondly, such scrutiny and

assessment have to be made, not from the point of view either of the Central Government or a particular State Government or local authority, but from the angle of the overall national plan. The research staff employed in the Technical Divisions, though specialists in their fields, are better qualified by virtue of their daily contacts within the Commission, to consider various schemes and measures in a field from the broad national point of view. National planning also involves certain preliminary studies before certain schemes or policies can be included in the Plan, and these obviously, can only be undertaken by qualified research staff.

While the employment of research staff both in individual Ministries and the Planning Commission is necessary, it is no less necessary to ensure that in their work they supplement rather than duplicate each other. Planning to be effective must originate within the research cells of the individual departments; the work of the research staff of the Commission should mainly be one of scrutiny and collation. For this purpose it is essential to have flexibility in regard to inter-division transfers of research staff of middle and junior levels. The senior technical staff and heads of technical units should have had the advantage of field experience in States or elsewhere.

One of the important technical sections which deserves special notice here is that of public management studies. This section is concerned primarily with the study of problems of organisation and administration of public enterprises and panchayats. In making public management studies, the section compares and collates experience both of the public and the private sectors. It also keeps itself informed of studies undertaken in the Ministries, enterprises, and Universities within the country as well as of studies made in other countries. The work of the section is expected to be co-ordinated with the work, in the field, of the Indian Institute of Public Administration and other similar institutions.

The strength of the staff in the Planning Commission has increased in the last five years. During the years 1952-57, 9 posts of Directors, 3 posts of Deputy Chiefs (both carrying the same scales of pay), 4 of Assistant Chiefs, 28 of Senior Research Officers, 46 of Grade I Economic Investigators and 48 of Grade II Economic Investigators were added. There has been a similar increase in the junior ministerial staff. For instance, the number of Lower Division Clerks increased during the same period by 103, Upper Division Clerks by 48, Assistants by 43 and Section Officers (Category B) by 12. These increases in the strength of the staff do not in any way indicate the total increase in the volume of work. A considerable work of the Planning Commission is done

in committees and councils and some work even undertaken in certain outside agencies like the Indian Statistical Institute.

### III

The plans of States, based on 'district plans', as well as statements of development projects of Central Ministries, are received in the Commission either for purposes of inclusion in the national plan or for the revision of annual targets. Similarly, progress reports on the execution of the plan projects are also received. For all this, the Planning Commission works in close understanding and consultation with the Ministries of the Central Government and the Governments of States.

As regards liaison with the Central Government, this is maintained in several ways. As already mentioned the Prime Minister is the Chairman of the Commission. Three Cabinet Ministers are members thereof and the Cabinet Secretary functions as Secretary of the Commission. Further, a good deal of consultation of an informal character takes place between the Central Ministries and the Planning Commission. The Commission sets up from time to time Committees, consisting of representatives of Ministries concerned and of the Commission itself, to examine and make recommendations in regard to specific problems. For detailed investigation of particular questions, Study Groups of appropriate officers from the Ministries and the Planning Commission are also set up. The discussions in these Committees and Study Groups, in addition to informal consultations taking place at different levels, help to integrate the work of the Planning Commission with that of individual Ministries.

Contact with States is maintained through the State planning and development departments. The Chief Ministers of all States are members of the National Development Council, a high level policy co-ordinating body, presided over by the Prime Minister and meeting at least twice a year. Members of the Planning Commission are also members of the Council. Ministers of the Central Government also participate in its work. Meetings of the Standing Committee of the Council are held more frequently. The National Development Council has been evolved as an administrative agency to achieve the fullest co-operation and co-ordination in planning between the Central and State Governments and to ensure uniformity of approach and unanimity in the working of the National Plan.

The main functions of the Council are as follows:

- (1) To review the working of the National Plan from time to time;

- (2) To consider important questions of social and economic policy affecting national development;
- (3) To recommend measures for the achievement of the aims and targets set out in the National Plan, including measures to secure the active participation and co-operation of the people, improve the efficiency of the administrative services, ensure the fullest development of the less advanced regions and sections of the community, and, through sacrifice borne equally by all citizens, build up resources for national development.

With a view to securing expert technical advice and assistance, the Planning Commission has evolved a system of technical committees called "Panels". Both officials and non-officials, who have special knowledge and experience in the relevant fields, are represented on these Panels. At present there exist panels of economists and scientists and panels on education, health, housing and regional planning, labour, and land reforms—7 panels in all. In addition, there is the Technical Advisory Committee on Irrigation and Power Projects of the Central and State Governments, originally set up in 1953. The Planning Commission also set up that year a Research Programmes Committee to initiate and encourage research on economic, social, administrative and political aspects of development. The Committee, which is headed by Deputy Chairman, consists of eminent social scientists. It works in close co-operation with universities, research institutions and schools of social work in the country. Schemes on approved topics received from universities and research institutions are first examined by the appropriate technical sub-committee and then by the main committee. The subjects chosen for research in the Second Plan period include:

- (1) studies in decentralisation and industrial dispersal including problems of planning and regional development;
- (2) social hierarchy and leadership;
- (3) machinery for planning and implementation;
- (4) working of village agencies with special reference to public co-operation; and
- (5) problems of administration and of parliamentary control of public enterprises.

Apart from obtaining expert advice on various technical problems, the Planning Commission has also been concerned with eliciting public opinion in general on matters of national planning. It has set up a number of consultative bodies to mobilise thinking and

activities of the people both in regard to the formulation and the implementation of the Plan. There exists today an Informal Consultative Committee of the Members of Parliament for the Planning Commission. Similarly, in order to associate students and the teaching profession more closely with the Plan, Planning Forums consisting of teachers and students have been established in different colleges and universities. The activities of these forums are not confined to organising theoretical discussions, seminars and symposia on planning; they are also expected to help in the successful implementation of the Plan through participation in developmental activities and through creating and disseminating 'plan consciousness' and information.

Two other bodies in the field of public co-operation are 'Co-ordination Committee for Public Co-operation' and 'National Advisory Committee on Public Co-operation'. The first committee was established in November 1956 with the Minister for Planning as its Chairman. It includes representatives from various central Ministries, Planning Commission, the Central Social Welfare Board and the Deputy Chairman of the Commission. Its object is to promote systematic and integrated action on the part of the Central Ministries in regard to special schemes of public co-operation included in the Plan. The other committee—the National Advisory Committee on Public Co-operation—was constituted much earlier (in August, 1952) with the object of advising and guiding Government in regard to measures of securing public co-operation and participation in all the fields of national development. Besides, the Chairman and the Deputy Chairman of the Planning Commission, the Committee includes representatives of various national voluntary organisations.

Co-ordination within the offices of the Planning Commission has been achieved in many different ways. Apart from the usual formal and informal consultations which take place between the various Technical Divisions there exist two branches for effecting continuous co-ordination in work: The Plan Co-ordination Branch deals primarily with co-ordination in regard to the formulation of the Plan, the review of allocations, priorities and targets, and co-ordination in regard to plan-implementation. The 'General Co-ordination' Branch is concerned mainly with co-ordination in matters other than those dealt with by the Plan Co-ordination Branch, such as information and publications, conferences, forums, panels, etc. To keep every member of the Commission fully and regularly informed of the overall developments taking place in the Planning Commission, all important correspondence is circulated simultaneously to all the members including the Deputy Chairman, folders being used for circulation of correspondence relating to matters of ordinary importance.

## IV

The success of national planning obviously depends not only on the preparation of the Plan but also on its prompt and speedy implementation with the full co-operation of the people. Increasing importance has therefore been attached in recent years by the Planning Commission to evaluation of progress in regard to the implementation of plan targets. As early as August 1952, the Commission set up a Programme Evaluation Organisation for making a systematic and periodic assessment of the methods and results of the community development programme. The Programme Evaluation Organisation, though administratively linked to the Planning Commission, is, for all practical purposes, an independent sister organisation and is guided in technical matters by the Programme Evaluation Board. Its work in regard to appraising progress of the community and national extension movements and making valuable suggestions for enhancing their effectiveness is by now well known.

The Commission established recently, in September 1956, another evaluation organ—Committee on Plan Projects. The following are the important functions of the Committee:—

- (1) To organise investigations, including inspections in the fields of important projects, both at the Centre and in the States, through specially selected teams. The teams are composed of technical personnel and eminent public men with experience of the subjects detailed for study;
- (2) To initiate studies with the object of evolving suitable forms of organisation, methods, standards and techniques for achieving economy, avoiding waste and ensuring efficient execution of projects;
- (3) To promote the development of suitable machinery for continuous efficiency audit in individual projects and in agencies responsible for their execution;
- (4) To secure the implementation of suggestions made in reports submitted to the Committee on Plan Projects and to make the results of studies and investigations generally available; and
- (5) To undertake such other tasks as the National Development Council may propose for the promotion of economy and efficiency in the execution of the second five year plan.

The Committee on Plan Projects is composed of the Ministers of Home Affairs, Planning and Finance, and the Deputy Chairman of

Planning Commission. In addition, the Prime Minister, as Chairman of the National Development Council, nominates two Chief Ministers of States as members of the Committee for each class of projects. The Union Minister concerned with a project or a class of projects under investigation is also a member of the committee. The Home Minister is the Chairman.

The Committee on Plan Projects has since set up 3 study teams on "Community Development and National Extension Service", "Irrigation and Power" and "Building Projects". The investigations of these teams are practically nearing completion. Much useful work appears to have been done in regard to the ultimate evolving of suitable forms of organisation, methods, standards and techniques for achieving the most efficient execution of Plan Projects.

## V

The Planning Commission has been in existence only for about  $7\frac{1}{2}$  years by now. The difficult task of national planning on which it has continuously been engaged during this short period has not been without repercussions on its organisational pattern and methods of work. Its organisation is headed by men of great eminence—both public men and administrators. Its top jobs are manned by senior civil servants and subjects-specialists. The Commission has evolved group methods of work and thinking. It has devised effective mechanism for purposes of consultation, co-ordination and evaluation. In its methods of work it has attempted to experiment with less formalised procedures, ensuring all the same a consistency of approach and reasonable work-efficiency.

Notwithstanding the success achieved by it, the Planning Commission is conscious that there are many directions in which its work needs reorientation and improvement. At its instance an O & M enquiry is now under way to examine how its organisation and methods of work can be improved. The work of the Commission so far justifies the thesis underlying its creation that 'Commission type' planning agency would be more effective than the 'department type'. The 'commission form' has not only made possible to have on the organisation eminent and retired civil servants and public men, but also vested the central planning agency with independence and authority which it might not have been able to wield as a regular Government department. But, as we have already seen, it is not the form of organisation which alone has led to its effectiveness ; the pattern of staffing, methods of work and co-ordination, and its network of advisory councils and committees have also made a significant contribution towards its success.

## THE GOVERNMENT AND THE PARTY

*N. V. Gadgil*

**I**N democracy it is a matter of constant anxiety both for the Government and the political party to which it belongs how to secure smooth working with understanding and co-operation of each other. In India, parliamentary democracy, as envisaged in the Constitution, has formally been functioning since the 26th January, 1950. It may, however, be added that parliamentary democracy really started functioning more or less from the 15th August, 1947. Though even a decade is too short a period to generalize on any experience that is gained, it all the same appears desirable to study the problem of the relationship between the Government and the Party in India, vital as it is to the success of democracy in this sub-continent. Experience gained here in the matter could be usefully compared with experience gained in other countries by parties functioning there both while in power and while in opposition.

The political principles and philosophy which underlie our Constitution are more or less the same as those which govern political institutions in England. But, in that country, the party, or the mass organization, came into existence subsequent to the organization of the parliamentary party. In India, the political parties, as they were, or are, were already in the field before anything like parliamentary democracy started its career.

In England, in the evolution of the two main parties, Conservatives and Labour, circumstances and personalities played no mean part, and like the typical British attitude, their approach was always pragmatic. The Labour Party has traditionally been as hesitant, as the Conservatives have been forthright, in publicly acknowledging the power and the authority of the leader of their party. If one goes by the formal description of the powers of the Conservative leader, it will appear that once elected, he can play the autocrat with impunity. In contrast, the Labour leader appears to be hemmed round with restrictions which ensure his subservience both to the party in Parliament and to the mass party organization outside. According to the constitution of the Conservative Party its leader is not required to submit himself for a periodic re-election, while the Labour leader, except when he is Prime Minister, is subject to annual re-election



by the Parliamentary Labour Party. The Conservative leader, whether his party is in power, or in opposition, does not normally attend the meetings of his followers; nor does he consider himself bound by their decision; the Labour leader is expected to attend the meetings of the Parliamentary Labour Party, and, when Labour is in opposition, he presides at party meetings, and in theory, he is its spokesman for all the policies which his colleagues decide to adopt. The Leaders of both the parties are, of course, free to choose their Cabinet colleagues when they hold the office of Prime Minister. But the difference is that the Conservative leader retains a similar right in selecting his Shadow Cabinet while the Labour leader must work with a Shadow Cabinet chosen for him by the Parliamentary Labour Party.

In the matter of policy, the Conservative leader has the sole ultimate responsibility for the formulation of the policy and is not formally bound by the decisions of any organ of his party either inside or outside Parliament. On the other hand, the Leader of the Labour Party is bound to implement the programme, determined *jointly* by the Parliamentary Labour Party and the mass party organization. In the annual conference of his party, the Conservative leader normally does not attend, but he addresses the mass rally which is held at the end of the conference. The Labour leader, on the other hand, presents to his conference the report of the work of the Parliamentary Party, whether in power or in opposition, during the previous year. The Conservative leader is in complete charge of the party bureaucracy, appoints all its principal officers, and the party organization is virtually a personal machine. In contrast to this, the Labour leader has no personal control over the affairs of his party's Head Office. He is an *ex-officio* member of the National Executive Committee of the Labour Party.

From the above general description, it will appear that the power and authority of the two leaders differ. The Tories alone believe in the personal infallibility of the leader and prefer it to the collective wisdom of their party members. The following observation made in the "Rise of the Labour Party", adequately describes the position of both the Parties in British politics.

"The Tory Party has always been primarily the Parliamentary Party supported financially and in other ways by business interest outside the Parliament, organized round parliamentary leader and owing no allegiance to any party organization in the country. The local Tory organizations and their National Federation are mere adjuncts to this Parliamentary machine. They have no power to govern the party; nor do they in effect claim such power; for they are not, as the Labour Party is founded, on democratic notions. The

Tory Party is a grouping of Tory politicians round the Parliamentary leader; whereas the Labour Party is a collective expression of democratic sentiment based on the working class movement, and on the constituency organizations of the workers by hand and by brain. Accordingly in the Labour Party, the final word rests with the annual party conference; and between conferences, the National Executive Committee is the administrative unit. The Parliamentary Party carries through its duties within the framework of policies laid down by the annual party conference to which it reports each year. The Parliamentary Party has no power to issue orders to the National Executive, or the Executive of the Parliamentary Party. Both are responsible only to the party conference”.

The above was the position in 1948. Earlier in 1937, Mr. Clement Attlee wrote in the “Labour Party in 1937”, as follows :— “The Labour Party Conference lays down the policy of the Party and issues the instructions which must be carried out by the Executive, the affiliated organizations and its representatives in Parliament and local parties. The Labour Party Conference is, in fact, the Parliament of the movement.” Such a view was the result of a strong line taken by some of the Labour Members after the Labour Party’s debacle in 1931. During the second term of power, the Labour Party had realized that the formulation of policy was not so much done by the mass Labour Party; but was more or less the privilege of the Leader of the Labour Party who was also the Prime Minister. In 1931, Mr. Fenner Brockway said in the annual conference “When you come to apply the principles of democracy to the Parliamentary Labour Party, this is the fact you have to face that the policy of the Labour Party, when you have a Labour Government, is not in the hands of the Parliamentary Labour Party at all. The policy is determined by a Prime Minister who is the Head of the Government, and again and again the Parliamentary Party is faced with proposals brought forward in such a way that it is impossible in a democratic way for the Parliamentary Party to reverse these proposals.”

When the Labour Party came into power for the third time in 1945, the same old difficulty of having smooth relations between the Government and the Parliamentary Party and the same party outside arose again. The general feeling in England was that if the outside party were to dominate, then Parliament would merely become an instrument to endorse and register the decisions already taken outside it. This was evident when in 1945, Harold Laski, the Chairman of the Labour Party, took a stand in which he claimed that the party was the authority and nobody could speak on its behalf unless the line was accepted by the party as such. Mr. Churchill immediately took

advantage of this and posed the question for a straight decision by Mr. Clement Attlee. Mr. Attlee in his reply conceded "that the Labour Party represented by the National Executive Committee between (annual) conferences had a right to be consulted, but denied that it has power to challenge the actions and conduct of a Labour Prime Minister". Mr. Attlee in his letter to Laski told him that he (Laski) had no right whatever to speak on behalf of the Government. It is thus obvious that the position taken by Mr. Attlee in 1937 had by this time undergone a complete change; and one finds in the report of the annual conference of the Labour Party for 1946 words to the effect that the collective responsibility, both in home and foreign policy, rested with the Cabinet. The Prime Minister, members of the Cabinet and other members were always ready to discuss matters affecting the policy of the Government and the administration; but the policies of the Government were not in any sense determined by a majority decision of the Parliamentary Labour Party any more than they were governed by the decisions of the National Executive Committee or the annual party conference.

Today, the relationship of a Labour Prime Minister to his followers in Parliament and outside is now almost identical with that of a Conservative or Liberal Prime Minister. It stands to common sense that the leader should take into account the views of the parliamentary, as well as of the mass party. If he outrages his followers in the House, his Government would fall; if he outrages his followers in the country, he might find himself without an electoral machine. The illusion that was prevalent in 1932-33, that a Labour leader, when he became Prime Minister, would be primarily a mouthpiece of both the parliamentary party and the movement outside, has by now disappeared. "Individually," Mr. Attlee in his speech before the Labour Annual Conference in 1948 said, "I have always felt that the right course is to put my views before my colleagues, discuss with them and then accept their decision. They may not convince me that they are right, but I believe that the foundation of democratic liberty is a willingness to believe that other people may perhaps be wiser than oneself". This statement, of course, did not alter the hard fact that the entire policy of the Labour Government was the creation and responsibility of the Cabinet or the Government.

In 1951, however, Mr. Bevan raised a fundamental question in connection with the relationship between the National Executive Committee representing the mass party and the Government. Following his resignation from the Cabinet over his difference over Government policies, he said, "The National Executive Committee is the servant not of the Government but of the Party. Its primary task is to

carry out the decisions of the Annual Conference. Its relations even with a Labour Government, though naturally close and friendly, are second to its obligations to the party. It has rightly no power to issue directives to the Government. It should not be called on automatically to endorse Government policies, even Labour policies, which have not been pronounced upon by the Party Conference. A serious situation would arise if it came to be thought that the N.E.C. was merely an extension of the machinery of Government. Its activities might well be crippled in such a situation and the Government itself embarrassed if, for instance, party delegates to Socialist Parties and Conferences in other countries were to be regarded as shadows of the Government. Equally seriously is the opposite danger that could arise from the disturbance of this constitutional balance—the danger that the Government could come to be regarded as the instrument of the party executive. It is in order to stress the undesirability of any such tendency that the Labour Prime Minister always presents to the annual conference of the party a separate report on the working of the parliamentary labour party. The distinction between Government and the party has always been zealously maintained in British constitutional practice. It is one of the important safeguards of the rights of the individual who seeks to express a minority view within the framework of the party constitution. The statement issued by the N.E.C. tends to blur this constitutional distinction and to weaken the safeguard. We cannot agree that the N.E.C. was within its powers in issuing this statement, or has the right to prevent us from discussing in Parliament or elsewhere the issues on which it has hastened to take sides.”

In reply to the above, the Party Secretary stated Government and the National Executive Committee must preserve their separate identities and the N.E.C. has no obligation automatically to endorse Government policy; but he, however, added “the National Executive is, however, free to comment on the work and policy of any Government—Labour no less Tory. Such statements and comments by the N.E.C. are open to discussion like any other activity of the Committee. There should be no attempt to confine National Executive Committee statements to problems of internal party organization only, and the National Executive Committee should have a right to speak on political issues which were not foreseen at the previous party conference. The N.E.C. has not only the right but the duty to publish its views on matters which might be the subject of controversy and confusion in the movement.”

Two trends clearly emerge from the above short survey of the British practice in regard to relations between Government and

Party. Firstly, the mass party cannot dictate anything to its Government when in power; nor can the mass organization be looked upon by the Government as a silent follower, having no independent views on any question. This position is now accepted as the constitutionally correct approach to the relationship between the Government and its party. Secondly, the English people have always been very zealous of the sovereignty and dignity of Parliament, and they see to it that Parliament is not by-passed by any arrangement between the Government and the Party. They still believe that real democracy consists in direction of the affairs of the country by Parliament and not by any party inside or outside. The problem, however, of securing smooth working and understanding between the Government and its party is a perpetual one, and various attempts have been made in England, and continue to be made even now, to find out a more acceptable solution. The authority of the Labour Party Conference, as well as of the Trade Union Congress as bodies claiming a co-equal right to influence policy at large are greater than in the case of their conservative counter-part. The Labour Party has retained an executive separate from the Government and even a parliamentary executive, but through strong ministerial representation in each of the bodies the danger of irresponsible pressure on the Government has been reduced.

## II

In India, as has been already stated, mass parties were already there, before anything like parliamentary institutions started functioning in the country. To adequately appreciate the relationship that exists today between the Congress Government, its parliamentary party, the executive of the parliamentary party, the All-India Congress Committee and the general Congress, it is necessary to understand the functioning of the Congress party at all levels. But it does not appear necessary to refer to the working of other political parties in the country, the constitution and composition of their executives, and their relations with their leaders; because none of them has had up till now the opportunity to run a Government whether at the Centre or in States. It will be interesting to know, of course, what relationship exactly exists between the Communist Party now in power in Kerala, its parliamentary party, its polit-buro and the communist party of this country. However, it is proposed to examine the problem only in regard to the working of the Congress Party.

The Congress Party is a mass organization, and its membership is open to anybody above 18 years of age, irrespective of caste, community or religion, the only condition being subscription to the creed

of the Congress. The elections to various offices to Congress Committees at different levels take place biennially. The Indian National Congress meets annually. The President of the Indian National Congress is elected by the total number of delegates, numbering about 5,000. Up till recently, the delegates—one each for a lakh of population—were directly elected by the enrolled members in constituencies, delimited by the various Pradesh Congress Committees. Each Pradesh Congress Committee elects by the system of proportional representation 1/8th number of its delegates as members of the All-India Congress Committee. In addition, some persons are nominated to represent the interests of minorities and other elements not adequately represented, and certain functional bodies. The All-India Congress Committee meets generally twice or thrice in a year. The Executive of the Congress, which is called the Working Committee, is nominated by the President.

The Congress was a national platform before freedom, as it was the main party that struggled for freedom. It is no longer a national platform, although it lies to think itself to be so. The broad fact is that in the general elections of 1952 and of 1957, it could not secure a majority of total votes cast, though it secured majority of seats—a consequence which is not unfamiliar to democratic functioning of the electoral apparatus. While Congress was a fighting organization, it was appropriate that its highest executive should be nominated by the President to secure despatch and homogeneity in its activities. It was then essentially an organization conceived for a struggle and hence unity of outlook and despatch in actions were important considerations. The contexts have now changed. The function of the Congress now is virtually that of a vote-getting body and experience of the last ten years, after Congress party came into power, shows that, although efforts are honestly made by congressmen to take interest in constructive and other activities, the real enthusiasm is generated just a few months before the general election takes place.

The Congress Working Committee is the authority which controls the selection of candidates and is charged with the maintenance of discipline in its ranks and has a vast power of patronage. The Working Committee being a nominated body, it is obvious that full democratic atmosphere is hardly possible and since the Congress party is in power, the prestige of the Working Committee and of the President of the National Congress has suffered diminution. The supreme leadership of the country and the party now rests with the Prime Minister.

In a Parliamentary democracy, the majority party has the right to run the Government, and its leader is called upon after his election, by the Head of the State to undertake the responsibility of formation

of the Government. The leader chooses his own colleagues, except in Australia where the Cabinet Ministers are chosen by the party through a process of election and there the Prime Minister cannot afford to be dictatorial. Where convention has been established to the effect that it is the Prime Minister who is to choose his colleagues, he naturally wields great power and influence. In England, the Leader of the Conservative Party is free to choose his own colleagues. Although some years back, the Labour Party's feeling was that their leaders, when called upon to form the Government, should consult either the National Executive, or some important members of the party, it is no longer the case and leaders of both the parties are equally free to choose their colleagues. The Labour Party's Executive, namely, the N.E.C., is an elected body unlike the Working Committee of the Congress. The National Executive Committee has always been at an advantage in having many members of the Parliament and ex-Cabinet Members being elected to it, apart from the presence of the Prime Minister as *ex-officio* member. This position results in regular exchange of views and a deeper understanding between the Government, as represented by the Labour Prime Minister, and the National Executive.

In the case of India, ministerial representation in the Congress Working Committee is tremendous. The Committee itself is nominated by the Congress President who is virtually a choice of the Prime Minister. Before 1952, there was a rule in the Congress Constitution that the Working Committee should not contain more than 1/3rd of the Ministers, but in 1952 that rule was removed and the present position is that the Working Committee is virtually an adjunct to the Government. The presence of the Prime Minister and his colleagues in large numbers in the Working Committee results in acceptance only of those policies and those resolutions which are approved by him. The resolutions passed by the Working Committee are then placed before the A.I.C.C. which contains substantial number of legislators. It is almost an impossibility for the All-India Congress Committee to pass any resolution which is opposed by the Prime Minister, or by the Congress High Command. The resolutions adopted by the All-India Congress Committee are placed before the annual session of the Indian National Congress. There is very little possibility today of any proposal being carried at the annual session against the wishes of the Prime Minister or the Government. It has been the experience during the last eight years that whatever may be the views of any individual congressman or the congress body, ultimately the view of the Prime Minister prevails. In good old days initiative was shown by members of the Congress. They had opportunities to speak fully and

frankly in the plenary session and in the meetings of the All-India Congress Committee. Although an hour or two even now are reserved for discussion on non-official resolutions actual discussion rarely takes place and most of the resolutions are referred to the Working Committee.

The changes since independence in the constitution of the Indian National Congress, in its outlook, in the procedure of work are on lines on which parties in England and other countries with parliamentary democracies have developed. The Congress started taking active interest in legislatures in 1934 when it decided to fight elections both to the Central and Provincial assemblies. It issued a comprehensive manifesto of the party programme on which elections were to be fought; but it did not just stop there. The Congress also appointed a Parliamentary Control Board and virtually controlled the policies of eight Provinces in which it succeeded in forming the Governments. In addition, a detailed code of discipline for governing the conduct of the members of the Congress party in the legislature was drawn up. In a sense, the Congress party has been accustomed to discipline in its activities in the legislatures. It was, therefore, natural to expect that it would be in full control of Government policies, both at the Centre and in the States, after independence and since independence the question "who is to dominate the Government, whether the Parliamentary Wing or the outside Congress organization" has always been causing anxiety. At least two elected Congress Presidents had to resign over this issue.

When the question of the formation of Government came up before the Working Committee in 1947, considerable discussion is reported to have taken place as to the final authority which was to choose the members of the proposed Cabinet. But we only know the fact that the Prime Minister exercised his authority as it is normally exercised by any Prime Minister in a Parliamentary democracy. Whether he took members of the Working Committee in confidence, and whether he consulted them, is a matter not publicly known.

The position of the Congress Prime Minister is a peculiar one. In the Cabinet, he naturally claims to be the mouthpiece of the Working Committee, and he naturally claims that it is his responsibility that the decisions of the Government are in conformity with the broad principles and policies laid down by the Congress. In the Working Committee, where he cannot escape dominating, he represents the Government and is in a stronger position to successfully press his views, backed up as they are by administrative experience. There are many merits of such a situation inasmuch as the Prime Minister constitutes an effective connecting link between the Government



and the mass organization as represented by the Working Committee; but the disadvantage which is inherent in a situation of this kind is equally overwhelming, viz. that the Prime Minister is invested with formidable power and influence and unless he be a genuine democrat by nature he is very likely to become a dictator. However, in the context of the present conditions, the existing arrangements are on the whole very advantageous. They rule out the chance of any conflict between the national executive of the party and the Government. It is common experience that the last word rests with the Prime Minister and from this point of view there is a distinct advantage in the present position as it has evolved as a result of recent changes in the Congress Constitution. From a democratic point of view, this may not be as desirable as one would wish; but in a democracy, democracy can be overdone, democratic procedure may be overtaxed, resulting in greater friction than harmony. It is not the form of the institutions so much as the spirit in which they are worked that really counts.

### III

It is thus seen that the nature of relationship existing between the Prime Minister who is virtually the leader of the Congress and the Congress organization is the result of circumstances peculiar to our country. The relations between the Congress Parliamentary Party and the Government are, in this context, of secondary importance. The Congress Parliamentary party has never taken the view that it can function outside the framework of reference provided by the Congress mass party. The Congress Parliamentary Party consists of members elected on Congress tickets and those who join it after elections. It elects its Leader for the entire term of Parliament and other officers, such as the Deputy Leader, for the same period. The Congress Parliamentary Party also annually elects its executive, and these elections are well contested resulting in different points of view being represented on the Executive Committee. The Congress Parliamentary Party meets as often as the leader desires or a demand is made by members. The Executive of the Congress Parliamentary Party meets as often as the Prime Minister desires, as also when members demand.

Here, the question arises as to what extent the Congress Parliamentary Party, or its executive, participates in the formulation of policies, by the Government. The little experience extending over these few years goes to show that, although Ministers do not like to discuss everything before the Congress Parliamentary Party, the Prime Minister is generally inclined to bring issues, either of his own accord or on suggestion of members, before the Congress Parliamentary Party. To be fair to the Congress Parliamentary Party, there is full

and free discussion—at least conditions exist for it. If few people take advantage of this, certainly the blame is not to be laid at the door of the Prime Minister or the constitution of the Party; but, as has been the experience of the members both of the Labour and Conservative Parties in England, very few members dare frankly to criticize policies on which the Prime Minister is very keen, because nobody likes to be on the wrong side of the Prime Minister who has a vast field for patronage and who virtually can make and mar political careers. Politics is of necessity a highly competitive profession, and nobody naturally likes to stake his future on something which may not be approved by the leader or the party at large. There is no social security in politics.

In the meetings of the Executive Committee of the Parliamentary Party, discussion is more free and frank and questions of fundamental importance are raised. In the Executive Committee normally the Prime Minister takes the members into confidence to the extent possible and consistent with best constitutional traditions and practice. The Party Executive is obviously separate from the Cabinet. Hence a measure of caution is necessary on the part of the members of the Government while discussing matters of high policy in the Executive Committee. Instances have occurred during these years where Government policies were challenged both in the meetings of the Executive and of the Congress Parliamentary Party. Government financial policies have often confused the members of the Congress Parliamentary Party and many of them often pleaded that their loyalty to the mass party was greater than their loyalty to the Congress Parliamentary Party or the leader. In these circumstances, it has always been found difficult to evolve acceptable solutions. What is being done is Government policies are generally endorsed by the Working Committee from time to time, and by the All-India Congress Committee whenever it meets between the annual sessions of the Congress. Thus, continuous efforts are made to keep the relationship between the Government on the one hand and the mass party on the other on a sound and smooth basis.

In conclusion, it may be said that the Parliamentary Wing of the Congress Party has become dominant because there is no more struggle or satyagraha as such, and whatever progress has to be made it is to be made through constitutional methods and through Parliament. Secondly, unlike the practice in England there exists no formal mechanism here for consultations between the various bodies concerned but efforts are continuously made for establishing informal channels for consultation. These may become more regular and acceptable as more experience is gained. One has only to ensure that, in securing smooth working between the various bodies and at various stages, principles of democracy are not jeopardized to any extent.

## GEOGRAPHICAL DISTRIBUTION OF PERSONNEL IN THE UNITED NATIONS

Anand K. Srivastava

THE Central Government in any large country today is invariably faced with the problem of selecting its personnel from as many of its provinces as possible. Equity, political expediency, and the desire to have administrative personnel properly representative of the various classes and regions in the country, necessitate such a wide selection. While theoretically all modern progressive states appoint their civil servants on the basis of merit only, yet political forces tend to bring about some sort of a balance between merit on the one hand and geography on the other. Such a balance becomes all the more difficult to attain in the higher echelons of the services where promotions must be made after taking several subjective considerations into account.

In the United Nations the problem has assumed special importance. Though the U.N. is only an association of nations and not a world government, its experience, none the less, might provide some guidance to national personnel administrators in the tricky field of selection of personnel where first conclusions can well be deceptive. For instance, the *principle of geographical distribution* of staff followed by the U.N. was embodied in the charter mostly for political reasons and was regarded primarily in the nature of patronage or an international 'spoils' system. Yet the experience of its application in the U.N. during the last few years shows that there cannot be an efficient international administration without it.

The apparently conflicting claims of geography and merit in recruitment are resolved in Article 101 (paragraph 3) of the U.N. Charter, as follows:

"The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity. Due regard shall be paid to the importance of recruiting the staff on *as wide a geographical basis as possible*."

Considerations of merit have thus been given the 'paramount' importance, while those of nationality have been relegated to a secondary position. The two, of course, are not mutually incompatible but it is clear that the accent is on efficient performance of staff duties. This means that those specific qualities of personnel which are usually

demanding in the organisation of an efficient national administration are to be given due weight even in the United Nations. The geographical basis comes in later because mere efficiency is not enough, and the member countries should be assured that the interests of all nations carry equal weight with the secretariat. That is what makes the quota system indispensable to present day international organisations. The system has, in spite of gloomy prophecies, worked so well that it is safe to say that the United Nations personnel have, on the whole, more of an international consciousness than the delegates and representatives of member nations. In the light of the League of Nations' experience, this achievement cannot be casually dismissed.

## II

The United Nations today consists of 82 member-nations and has a secretariat staff of 4,159 men and women. The staff quota of a member nation is based on its financial contribution to the U.N. budget and is applicable only to professional category of posts covering in all about 25% of the total positions. A nation is allowed a number of secretariat posts, equal to its financial contribution to the United Nations budget, plus or minus 25%. For instance, India's contribution to the U.N. budget has been fixed at 3.25% and this entitles her to a like percentage of the 1,170 positions in the U.N. open to geographic distribution, which works out at 38. Twenty five per cent of this figure is 10, and therefore the range of U.N. posts open to India varies from 28 to 48. The upward or downward variation of 25% allows for administrative flexibility in recruiting staff, while at the same time it presents a sufficiently definite criterion for the Secretary-General to follow. However, the upward variation is not allowed for countries contributing more than 10% of the budget so that a further check is put on over staffing the U.N. Secretariat by nationals of wealthy nations.

Translators, interpreters, and bilingual secretaries, are not put on the geographical quota, as only a few nations are favourably placed to supply such staff and their national quotas should not obviously be reduced because of this. Staff of lower categories like clerks, messengers, chauffeurs, guards, and porters, are also not included in the national quotas because of the disproportionately heavy cost of their recruitment from all over the world. They are all locally recruited and are for the most part Americans.

The present practice is, however, open to question. The percentage of the various categories of staff excluded from the principle of geographical distribution works out as below :—

General-Services category under the level of the Principal (below G. 5)	51%
Posts with language requirements	11%
Manual workers, field services and others	10%
	<hr/>
	72%

It is an open question whether the exclusion has not already gone too far. Because of the already existing over-representation of certain wealthy member nations in the professional categories covered by the geographical quota system, and sometimes for reasons of non-availability of personnel of the requisite calibre, several 'under-developed' countries are still below their national "quotas". Since existing staff cannot be removed, the under-represented countries could be given representation in the General Service category at the G-4 level, over and above the present representation in the professional ranks. Such staff would be introduced into vacancies caused by turnover and since it would require to be less well-qualified than the professional staff, it could easily be found in the under-developed countries. The step would create much goodwill for the U.N. apart from being equitable.

Similarly, in the case of language staff, many of the interpreters are in fairly high professional categories and their exclusion from the geographical distribution creates a strong pull for having more official languages. The United Nations in the beginning had only four official languages, English, French, Russian and Chinese. Later Spanish and very recently Arabic, have been added to these. The measure is of course partly due to the greater importance which is now being attached to the nations speaking these languages but the desire of such nationals to have more staff on the Secretariat is also responsible for it. In 1956, out of a total of 265 linguistic posts 72 were Spanish and 11 Arabic and these were all in the professional category.

Many of the interpreters and other linguistic staff are highly qualified economists, sociologists and the like. They are promoted to non-linguistic jobs because they are qualified to hold them, but this step upsets the quota balance. There is good case for reappraising the exclusion of the linguistic staff from the national quotas.

The quota system does not vest a particular nation with a inherent right of receiving a fixed percentage of U.N. salaries or posts. The provision in the U.N. Charter regarding geographical distribution is in the nature of a directive principle of the U.N. personnel policy. The application of the quota system has to be judged from a broad

standpoint. The Secretary-General should be satisfied that the cultural assets and technical competence of each nation are contributing to the Secretariat in a full measure, while each member nation in turn, should also feel satisfied that its cultural assets and technical competence are making a full contribution to the Secretariat.

The quota system, based on the financial contribution of the member nations has the disadvantage of placing too much emphasis on their economic status. Some of the other criteria could be national income, literacy or population, and the like, but a system of geographic distribution based on any or all of these would be more difficult to administer than the present one. The criterion of population would give India and China nearly half the total number of secretariat posts, and this would leave many powerful nations dissatisfied. Financial contribution is ultimately based on several considerations like national income, economic development, and population, and is on the whole the most suitable yardstick for determining staff quotas.

However, administering even the present quota system is by no means an easy task. Some governments like the U.S.S.R. do not permit their nationals to apply freely for U.N. jobs. In other cases, like that of China, power politics has made a realistic working of the quota system virtually impossible. Many underdeveloped countries are unable to spare their few qualified specialists. New member-entrants are obviously under-represented, while in certain Middle Eastern countries the U.N. has received so little publicity that qualified people still remain uninterested in its service. For non-self-governing and trust territories there exists a resolution of the General Assembly that the Secretary-General give sufficient consideration to the recruitment of people from such territories but progress here has been slow and difficult since the nationals of these territories have to be included in the quotas of the respective metropolitan countries.

Even today many large areas are not represented properly in the Secretariat staff. Six out of the 82 member nations account for 60% of the total staff. The preponderance of nationals of Western Europe and North America, because of the large financial contributions of their countries, is overwhelming; 65% of the professional staff and 68% of the higher posts are manned by them as against 58% of their budgetary contribution.

The position in regard to the representation of the nationals of the United States, U.K. and France was in 1956, as follows :—

<i>Member States</i>	<i>Desirable Range</i>		<i>Actual number</i>	<i>Language posts excluded from geographical distribution</i>
	<i>Minimum</i>	<i>Maximum</i>		
U.S.A.	309	414	319	94
U.K.	73	121	158	49
France	53	89	90	122
Totals	435	624	567	265

As the quota is now administered, the share of the Middle and Far Eastern countries in the U.N. staff is 3.34% and 5.13% respectively. Not more than 8% of the total U.N. staff comes from South American member states. True there has been some improvement over the position in 1954 but there is still much room for further progress.

The most important thing about the quota is the spirit in which it is implemented rather than a perfect mathematical formula. During 1956, for instance, out of 76 member states, 14 were contributing less than .05 per cent of the U.N. budget. If a mathematical calculation of the quotas were made on the basis of these percentages, they would amount to practically nothing. The Secretary-General here should see that the U.N. personnel as a whole represent all shades of opinions, cultures and traditions rather than approach the problem too rigidly or mechanically.

The present form of the yearly report of the Secretary-General on staff matters is not calculated to produce the most desirable psychological effect on the member states, concentrating attention as it does on the actual staff position of nationals from each member state rather than on the trends. If this annual report gave a more detailed analysis of the progress achieved in securing better geographical distribution, apart from the bare statement of the working results of any prescribed formula, such an analysis would obviously be of wider and deeper interest. It could also profitably show what efforts were made to secure recruits from unrepresented or under-represented countries.

However, it cannot be gainsaid that the U.N. has made substantial progress in securing wide geographical distribution of its staff. The multiplicity of U.N. meetings in the first two years, the speed of the initial recruitment in 1947, and the shifting of the U.N. working headquarters made any proper geographical distribution very difficult.

Immense strides have been made compared to the earlier overwhelming and rather unavoidable preponderance of American nationals. Today only 12 years after the U.N. has been formed, it has attained a better geographical balance in its posts than the League of Nations ever was able to secure. It seems that the measures which still remain to be taken in improving the geographical balance further, particularly in the higher posts, will not take too long to come.

### III

The principle of geographical distribution of staff in U.N. has been subject of many studies. Langrod\* and Crocker\*\*hold it responsible for a large proportion of the United Nations' inefficient personnel. This is a doubtful conclusion. It is true there are inefficient people in the organisation. The present writer is familiar with the case of a national from a state, where both English and French were not too well known, working in one of the U.N. Departments. He was of the professional rank but because of his inability to draft properly in these languages he was mostly given work of a clerical nature while he was trying to pick up the language. In another case, a national from a certain country was, for political reasons, given very little work. American culture interested him, and at the time the writer came to know him, he was trying to pick up American slang expressions. He was promoted after a year, most probably for political reasons, but he fell sick while on home leave and never came back to the United Nations. It is not uncommon to come across similar other stray cases. However, as Mr. J.A.C. Robertson, the United Nations Director of Personnel, said at the Indian Institute of Public Administration in New Delhi recently, "a staff which has a high capacity for flinging itself into round-the-clock emergencies such as the Suez dispute was, cannot generally be dismissed as 'inefficient'."

Langrod and Crocker's criticism must, therefore, be tempered by the consideration that the international staff must command the full confidence of the member nations. The U.N. Secretariat is responsible for detailed planning of all schemes initiated by the General Assembly, Security Council, ECOSOC, and the Trusteeship Council. It is also in charge of the various technical assistance programmes. And it has to carry out all this work in the background of the cold war between two power blocs, the conflict of 'have' and 'have-not' nations over economic policies, and the resurgent non-self-governing

\*Langrod, G; "Les Problèmes Fondamentaux de la Fonction Publique Internationale". *Revue Internationale des Sciences Administratives*, 1953.

\*\*Crocker, W. R.. "Some notes on the U. N. Secretariat." *International Organisation*, Nov. 1950.



territories. The dominating representation of one group tends to shake the confidence of others in the impartiality of the Secretariat. There are many instances in which such mistrust has found expression and the only way to minimise it is by having a good geographical balance in staff, even though initially such a staff may not be as efficient as one obtained by recruiting wholly from well developed countries.

Benjamin Akzin, working for the International Political Science Association found that the United Nations officials coming from the less developed states compared very favourably with those from elsewhere. If the geographical distribution principle were not functioning properly, such officials would be the cause of inefficiency. But he found them as "bright and eager, their preparation was declared to be quite adequate, and a special point was made of their flexibility and adaptability in which the U.N. staff members from new states were said to excel many of their colleagues from old and well settled States".\* The high calibre of personnel coming from such states might possibly be due to the better salaries given by the United Nations and the specialised agencies and the attractions provided by the amenities of such large cities as Paris, Rome, New York, and Geneva, where many of the international organisations are located. Besides, much prestige accrues to member governments if their nationals on U.N. staff are of a high calibre and for this reason they try to send out some of their best men to the U.N.

Akzin also found that some of the older states have consciously adopted the policy of sponsoring their bright young civil servants for service in the United Nations by way of training and some of the new states were also likely to do the same.

It is very necessary that an organisation like the United Nations should have an international-minded personnel. This would specially be true after the sad experience of the League of Nations which was over-crowded with French nationals and had Germans and Italians, who during the late 'thirties, when the fascist regimes had taken over in their homelands, acted on instructions from their governments rather than independently as international civil servants. In fact, they had an unofficial national cell within the League Secretariat and obeyed the policy laid down by their chief. Such a development must never take place in the United Nations. If the price to be paid is that the present efficiency of the United Nations is somewhat less than what it would have been, had the whole staff belonged to the advanced countries, then

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\*Akzin, Benjamin; *New States and International Organizations*, Page 89.

the price has obviously been worthwhile. Today, the U.N. staff not coming up to the required standards is weeded out during probation and gradually a really international-minded staff with an international outlook and a very high degree of efficiency is being built up. The United Nations in this respect is well ahead of the League of Nations.

#### IV

How far has the principle of geographical distribution of staff been applied to national jurisdictions?

In the smaller countries, the problem generally does not exist. The merit system of recruitment is too well-entrenched, in countries like Great Britain and France, to be called to question. Again, in other states, especially under-developed ones, while parochialism does prevail in varying degrees, the smallness of the size of the country and the growing consciousness of national unity militate against the application of the principle of geographical distribution of public personnel in any form on the national scale.

Considerations of geographical affiliations do in effect, if not in theory, influence the recruitment of administrative personnel in the larger countries; this influence, however, is not and cannot be openly admitted. For instance, in the U.S.S.R. there has been an attempt to recruit personnel from all the areas comprising the 15 Republics. The Russian Republic, of course, dominates the scene because of its size; but there is evidence to show that the Ukraine has been passed over sometimes in appointments. A study of the origin of several hundred prominent 'bureaucrats', published in the U.S.S.R. in the 'Catalogue of 2,000 Soviet Personalities' reveals that while the Ukraine contains 8 to 10 per cent of the U.S.S.R.'s population, only 3 to 4 per cent of the 'bureaucrats' come from this otherwise well-developed area. This was not true of Byelorussia, or the three Transcaucasian Republics.

In the United States, where for a long time appointments were regarded as 'spoils' of political success, the principle of geographical distribution has been a very old requirement, dating back to 1883 when the merit system was first introduced in Washington, D.C. It was to set at ease the fear of non-urban states that too many of the appointments in the central city would be made from other states. At that time a provision was introduced for an apportionment of posts among the various States, Territories and the District of Columbia, based on the population as given in the last general census. This rule was, however, amended in 1947 by a Presidential Executive Order, which states the "apportionment" is now "subject of such modifications as the (Civil Service) Commission finds to be necessary in the interest of good administration."

Even so, the balance is in favour of the merit system, because only 1/10th of the total jobs in Washington are affected by the quota rule which can be waived completely in times of emergency. In fact, during the Franklin D. Roosevelt era (1933-45), the rule was more or less ignored. During the last decade, 34 out of 48 states have had less than their due quotas, one state was even with its quota, and 13 states had more than their share. The probable causes of this are hard to trace, but it is all the same significant that no particular type of State, agricultural or industrial, 'under' or 'over' educated, predominates in the list of 14 states which have contributed government employees equal to or more than their quotas. These consist of 3 urban or industrial states, and three mixed-urban-agricultural states located near Washington; the remaining 8 states are the less well-off agricultural states—two of them in northern New England and the others in the Middle West.

It is surprising that the farming states should figure so prominently among the over-quota states. The reason probably is not hard to find. Most of the posts placed under quota are in the Department of Agriculture and since the farming states have built up excellent agricultural colleges they are in good position to supply eligible candidates for the specialised posts of the Department. The functioning of the quota system in the United States is also complicated by the involved procedure necessary in order to certify the eligible candidates from below-quota states ahead of others. The administrative officials often decide the trouble is not worthwhile, just as they decide not to discipline recalcitrant subordinates if the disciplinary process is too long drawn out and judicial.

Though the quota rule has been of nearly 75 years standing, it has so far proved impossible to work it out in practice. That, however, has not caused any particular comment from the legislators and it might therefore be concluded that the interests of merit and efficiency have been preserved in spite of the fact that the system is based intrinsically on political expediency.

## V

What then are the lessons of the experience of geographic distribution of international staff which may be of particular interest to national personnel administrators?

'National consciousness' is the result of subordinating local, district and provincial considerations to a broader national point of view; international consciousness is the subordination of national interests to a still broader international perspective. If national and

international consciousness are akin, and spring from the same mental quality of subordinating parochial interests to larger interests—a conclusion strengthened by Dr. Leonard White's observation that "administration is a single process, substantially uniform in its essential characteristics wherever observed"—then several interesting lessons emerge from the U.N. experience. They would perhaps equally apply to a central government secretariat of any large country with many regional differences, like China, India or Russia. The important among these are :—

- (1) Akzin found that such U.N. staff members as had served the League of Nations tended to have "perfect loyalty" to the international ideal and an "admirable *esprit de corps*". If the development of international consciousness in a person is so directly connected with his exposure to it, the same must also hold good for 'national-mindedness'. This would mean that civil servants in national secretariats should not be interchanged too frequently with those in the states from where they are drawn; a sufficiently long tenure at the central secretariat should be ensured.
- (2) The best attitude for an international civil servant, according to Jenks\*, is "not a lack of attachment to any one country or a superior indifference to the emotions and prejudices of nationally-minded people. It is rather an awareness of the needs, emotions, and prejudices of people from countries in different circumstances, plus the capacity to weigh these elements judicially and impartially." The best attitude for national civil servants would also be an awareness of the needs and emotions of people in different districts, with different customs, outlook, and religious and political predilections, rather than a superior indifference to "parochial" interests.
- (3) Member nations of the U.N. have very varying political ideologies, and the question of loyalty to the organization figured prominently during 1952. The present position in regard to appointments is briefly as follows :—
  - (a) American communists are not eligible for U.N. employment.
  - (b) Communists from communist countries are eligible.

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\*Jenks, C. Wilfred; "Some Problems of an International Civil Service" Public Administration Review, Vol. 3, Spring 1943, pp. 93-104.

- (c) The position of communists from Western European and 'neutral' nations is doubtful there having been no 'test' case.

Wide ideological differences generally do not exist within the governments of a state, and the usual practice is to exclude anyone known to hold an ideology radically different from that of the party in power. For instance, the U.S.S.R. would not give a civil service appointment to someone known to have non-communist leanings, nor would the U.S. appoint a communist.

In India, however, an exceptional situation has arisen because of the recent elections in Kerala. If this pattern of elections repeats for the next two or three elections, so that one state has an ideological climate quite distinct from the rest of the country, the question would arise whether (1) persons known to subscribe to the prevailing ideology in Kerala should be appointed to the civil service, and (2) whether they should be given a tenure of appointment in the Central Government Secretariat. The first point would have to be conceded any way since state civil service appointments would be made in that state by the government in power. As to the second, the principles and practice followed in the United Nations may be a valuable guide. On the lines of the relevant U.N. staff regulations, the general rule may be formulated that states may second to the Central Secretariat, civil servants holding the ideology prevailing in the respective states provided "(1) they shall not engage in any activity that is incompatible with the proper discharge of their duties in the Central Secretariat, and (2) they shall avoid any action, and in particular any public pronouncement, which may adversely reflect on their status. While they are not expected to give up their political convictions, they shall at all times bear in mind the reserve and tact incumbent upon them by reasons of their status in the Central Secretariat."\*

- (4) Akzin further found that though each U.N. staff member's personal equation would determine whether it is to be "my country, right or wrong" or not, people from the newer countries tend to take a *less* detached attitude towards world problems. This would also suggest that, in national administrations, persons with strong local traditions like the mid-

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\*This is an almost verbatim copy of United Nations Staff Regulation 1.4.

western Americans in the U.S. and the East Pakistanis in Pakistan, are less likely to be detached in their attitudes where local interests are concerned.

- (5) Speaking at the Indian Institute of Public Administration, Mr. J.A.C. Robertson, the United Nations Personnel Director, said that two factors contributed, among other things, to the development of an international outlook in the staff members: Secretariat sponsored classes in the principal languages not only helped non-English speaking people to get better adjusted socially to New York, but led to a general understanding of each other's culture. Besides a mixed staff committee consisting of Secretariat officials and staff members from national delegations organised various social and cultural activities.

Similar practices in national secretariats where staff members are drawn from areas with strong local traditions may help in producing a wider and broader view point. In the Government of India Secretariat, for instance, regional language classes could prove very helpful. South Indians, some of whom are dissatisfied because Hindi is the national language, would feel very gratified if they found some of their secretariat colleagues from the north learning southern languages. The latent demand for learning languages in the capital city can be judged from the unparalleled success of the French and German Embassies in creating interest in their respective mother tongues.

- (6) Promotions in the U.N. are made on the basis of merit, but the nationality of the staff member is also important, sometimes, especially as many small national delegations keep complaining about the paucity of their nationals in the higher Secretariat echelons. One Indian, this writer knew, was appointed to the "Executive Office Branch" not only because he was obviously well qualified but also because there had been complaints that too few nationals of the newer states were in the 'Executive Offices'.

In the national context this means that the political arm of the government should have as little say as possible in civil service appointments and promotions, which should wholly be made on a merit basis. In India, as in several other countries, state governments are often unwilling to allow a man go to the centre.

Some of the best workers of the United Nations, especially in its higher echelons, are those who have been seconded by

their national governments for a few years after which they go back to their home countries. Similarly, in the national sphere, the various provinces or states, if given some sort of guarantee of having a fair chance of getting their promising workers back, would be more willing to lend a higher calibre of civil servants than at present. Further, a system of nominal public rewards for good civil servants, mentioning the recipients' home state or locality, made annually, might provide the psychological substitute for the "prestige" factor found behind many good governmental appointments to the United Nations staff.

- (7) The high standard of the U.N. Personnel from the newer states goes to show that 'unpromising territories' can often be very good ground for finding qualified recruits. This suggests that the national civil service commissions should make special efforts to recruit civil servants from backward classes or areas. These may need more training initially; but, considering the long span of a service-career of 30 to 35 years, the result may well be some public servants of outstanding talent and merit.
- (8) Referring to the real international spirit prevailing in the United Nations Secretariat, Akzin points out "No clear answer could be obtained by the Reporter to this query, except in so far as U.N. Secretariat members from India were concerned, . . . (they were) described as very internationally-minded and as exhibiting no desire to use their position on the staff in the interests of their country". This observation ostensibly suggests that India develops more impartial civil servants than she gives herself credit for; it also brings out the inter-action between national and international administrations and underlines the importance of civil service traditions in heightening its integrity and morale.

## VI

Is the quota system desirable? Is it not better to scrap it since it stresses the separateness and 'apartness' of nations? The answer is a 'no' because the United Nations can function in no other way except with a quota system.

Today the United Nations is a voluntary association of nations, and not world government, because no nation is prepared to trust another to the extent of giving up its sovereignty, or even a part of it. Because of this fundamental untrustworthiness between nations, the only way in which the U.N. secretariat can be, and *seem* to be, impartial

(for impartiality must not only exist, it must seem to exist as well) is by having all nations properly represented on its personnel. Otherwise there will always be the lurking suspicion that the international will, as expressed by the General Assembly, the ECOSOC and other U.N. organs, is not being faithfully carried out. And because the *raison d'être* of the quota system is that it dispels suspicion, the spirit of implementation of the quota system, not faithfulness to a mathematical formula, becomes more important. The formula itself may be criticized, its monetary basis changed, the quota of this country increased, of that reduced, but unless it produces a secretariat which is, and also is *thought* to be, fair and above board, the system will have failed. The current criticism from underdeveloped countries about underrepresentation in the higher U.N. echelons shows that progress along lines of satisfactory representation remains to be made. It is no argument to say the criticism may be uninformed. The very fact that charges should be made against the U.N. suggests distrust in the impartiality of international administration in some quarters. Efforts should therefore be made to create an atmosphere of trust.

Administrative personnel constitute the nervous system of the administration. The principle of geographic distribution of staff enables the system to draw its vitality from all parts of the administrative organism. If the U.N. member nations had surrendered their political sovereignties in favour of a world state, the application of the merit system of recruitment to the international civil service might have automatically ensured both efficiency and objectivity in international administration. In the absence of such a development, however, the principle of geographic distribution of personnel provides, perhaps at the cost of a certain 'efficiency' which a management or an O & M expert might find wanting, the one important bulwark for preventing the psychological domination of the U.N. by one or more of the big powers. There is no substitute for the quota system in the administration of international bodies or supranational ones like the NATO, Benelux, or the Pan American Sanitary Bureau.

The use of the geographical distribution principle in sovereign, national jurisdictions is circumscribed by serious limitations. It is only applicable to large countries, like China or the USSR where there are many regional and cultural differences. Even there, it cannot be too openly proclaimed because that will only accentuate the regional separateness, which the central government must endeavour to bridge. The system must remain as a sort of an unwritten directive principle of state policy at the back of the minds of the top administrators. The success of the principle, in both international and national jurisdictions depends, like everything else in public administration, on its use in right doses.



# INTER-GOVERNMENTAL RELATIONS IN THE UNITED STATES

*Phillips Bradley*

**F**EDERALISM, to paraphrase a recent American hit tune, is a many-faceted thing. Its dynamic and its working vary widely among federal states and, within each, in time. How, first, the federal principle and second, its political, functional, fiscal and administrative facets have evolved in the U.S., the oldest of modern federal states, may have some case-study interest for India.

The 1950's offer indeed, a convenient benchmark for assessing the operation of American federalism. The Reports of the Commission of Inter-Governmental Relations reflect an appraisal of federalism in action widely accepted in the U.S.A. today. That the flow of function and hence of political power toward Washington should be stopped and, if possible reversed, is widely recognised as a major trend of the present administration. Operating and other aspects of federalism are scrutinized in various documents of each Hoover Commission. Concern with its practical effects on policy and administration in many fields is expressed in more than a few state legislative reports. Why, one may ask, is there so much attention to federalism in the U.S.A. today? The answer may lie in its potential contributions to the viability of democratic government.

## *The Federal Principle—in Action*

If we divide the problems of American federalism under the headings suggested above, we can approach the question of principle from several view-points. First, it may be noted that the creation of a federal state is always a matter of necessity rather than of convenience. The relative complexity of the governmental arrangements required would hardly appeal to constitution-drafters were not some underlying and inescapable political considerations present.

The U.S.A. was no exception—nor was India. The conditions were not, perhaps very dissimilar in the two countries, however different their immediate profiles might appear. In both, the pre-existence of independent or autonomous “states” made the creation of a unitary national government impracticable.

The principle of federalism was, therefore, a major cornerstone of the Constitution of 1787. Viewed historically, we can see today

that it was not only inescapable but also that it provided a workable and effective framework for political control of an expanding people, territory, economy. No better case for federalism in action has been made, perhaps, than by Hamilton, Madison, and Jay in *The Federalist*. Their comments about its utility have been often demonstrated in American experience.

We may view the federal principle in action in the U.S. from other perspectives than the historical. If we take a constitutional approach, it is at once evident that the principle has been flexibly applied by the Supreme Court. The balance of practical political power and so of functional influence and administrative activity, has altered with changes in the economic and social environment. The evolution has been ultimately, if not immediately, accepted by the judiciary. The formal division of functions between the states and the national government was designed, according to most authorities, to insure survival of the states as the major foci of practical power. The states antedated the weak national government created by the Articles of Confederation. Here, the balance of power was overwhelmingly on the side of the states, aside from "Centre" functions (e.g., external affairs, defence, coinage).

The Constitution of 1787 was ambivalent on the federal principle. On the one side, its framers granted a limited list of legislative powers to Congress. They included, however, two clauses in Article I, Section 8, on which almost the entire structure of expanded federal powers has been erected. One authorized federal tax action "for the general welfare"; the other allowed "necessary and proper" legislation to carry out the specified powers. On the other side, the Tenth Amendment (essentially a part of the original constitution) reserved all powers not delegated to the national government "to the states respectively or to the people". Thus, the Constitution of 1787 pointed both ways on the federal principle.

Nor has subsequent constitutional action much clarified the formal pattern. The one successful attempt to expand direct federal powers (the 18th Amendment on Prohibition) was quickly repudiated (the 21st Amendment). Other amendments dealing with the balance at all have done so only tangentially. Subsequent judicial interpretations have had far more influence in changing the balance. Without attempting here to trace the influence of the Supreme Court in "nationalizing governmental powers, one has only to recall the influence of Mr. Chief Justice Marshall in the Court's early days. On the broad formulations laid down by 1835—when widescale industrialization and improved means of communication were just beginning—the Court

has sanctioned the broadening of federal power with few interruptions. Not only the clauses noted above, but particularly the interstate and foreign commerce power granted to Congress in Article I, Section 8, have contributed to this expansion. Congress and the Supreme Court have not only utilized positive authorizations of federal power and action but applied specific or derived limitations on the states to modify the balance.

It would be interesting to trace the evolution of the federal principle through the constitutional perspective of the Supreme Court. Such an account would, however, lead us too far away from the political and other aspects of federalism. One recent example may be noted: The Supreme Court's action regarding school segregation in the Southern States.

Here, the Court expanded national powers in an almost unprecedented way. On the one hand, it gave a new interpretation to the phrase "equal protection of laws" and "liberty" in the 14th Amendment. On the other hand, it extended federal judicial supervision of state action beyond previous precedents by placing authority for determining the adequacy of state action in the hands of federal district-court judges. It created almost a quasi-legislative function in these courts in an area of jurisdiction hitherto considered of exclusive state concern. By doing so, it also established an almost automatic federal interposition in the administrative as well as the policy side of state action. No wonder that talk of "nullification" revived in the Southern States and that various experiments were tried to modify or annul the effect of Court's two decisions on segregation.

If the constitutional aspects of federalism were reviewed in detail, one would discover that economic, social, and technological changes and population shifts have underlain the steady accretion of federal power. The broad language of the Constitution has proved adequate to meet changing conditions requiring national action.

### *Political Aspects of Federalism*

Turning to another aspect of federalism, the political, we find that the history of American parties offers many examples of the politics of federalism. The traditional roles of the Democratic and Republican Parties on this question have been reversed over the past quarter century. The modern Democratic Party is the ideological descendant of the Jeffersonian Anti-Federalist Party and was, historically, the advocate of "States Rights". The Republican Party, launched on a platform of national policy towards slavery long remained true to its original national view-point. Perhaps from the

days of Woodrow Wilson and certainly from the period of F.D. Roosevelt, the Democrats have supported national programmes in most economic and social fields—e.g. housing, relief, social security—traditionally of exclusive state concern. Although the Republican Party has been pretty consistently on the side of the nationalist trend, its spokesmen have, in the past two decades, increasingly come to express the States Rights outlook.

The States Rights "fetish" as some would call it, has proved viable from 1789 to the present. Although it has been usually considered a peculiarly Southern political platform, it is well to remember that it has had its advocates in every region of the country—depending on the particular conditions of time. The New England states were, for instance, almost ready to secede at the time of the War of 1812, as evidenced by the Hartford Convention of 1814. Numerous other instances could be cited, both before and after the Civil War, in which the States north of Mason and Dixon's Line asserted their resistance to alleged encroachment on state interest by the national government. Perhaps the most recent evidence of the political viability of the States Rights idea is the close vote (only one vote to spare) in the U.S. Senate on the Bricker Amendment.

The politics of federalism works, however, both ways. The country has expanded in population and economic activity; the growth has been at different rates in different regions and states. Before 1890, when the frontier disappeared, the impetus toward national action came largely from the frontier regions which needed federal aid for developing transportation and other economic services. Since the turn of the century, the differentials in economic resources and social characteristics between regions and states, although less pronounced, have still been of significant political importance. Programmes for federal action in the economic and social spheres have often been opposed or supported in Congress on the basis of these differentials.

Since 1920, when various federal grants-in-aid began to exert a substantial influence on the budgets and programmes of many states, alignments over increases in old grants or extensions of grants to new functional areas have divided Congress not along party but along economic lines. Not infrequently, the so called 'poor' states (having lower per capita incomes) have supported, while the so called 'rich' states have opposed, these increases and extensions. Thus, today federal aid permeates more and more areas of traditional state or local 'responsibility'. The politics of federalism can often be understood more clearly along economic than along party lines.

The alignment is not always between the poor and the rich states. Rural-urban conflicts are found in both state and national

politics and affect the policies of both state and national governments. Some federal aid programmes are of more significance to the larger industrial than to the smaller rural states and thus create new foci of support for federal aid as, for instance, for water pollution control or social insurance.

One other aspect of the politics of federalism may be noted briefly. When the Depression struck the United States in 1929, the existing relations between the federal and state governments as to the status of the great cities was suddenly wrenched. Historically, the dual sovereignty of the American system placed the entire control over local government in the states. Such problems as relief and urban development suddenly became urgent to a degree beyond the capacity of either local or state governments to meet. Federal aid became essential if millions of American urban dwellers were not to starve. Thus, the use of federal aid in solving local problems was greatly accelerated and, in fact, bypassed the states through more or less direct contacts between Washington and the cities.

These direct federal-local relations were stimulated by the activities of two national organizations of local governments. The American Municipal Association was created essentially as a national holding company of State Leagues of Municipalities which were themselves associations of various local governments within the states. The U.S. Conference of Mayors was, in fact, a direct immediate concomitant of the Depression; it was organized to mobilise and express the political interests of the larger cities. Both organizations sent their representatives directly to Washington to present the critical needs of large and small cities for federal aid in meeting the Depression crisis. The practice then established, of direct representation of municipal interest to federal agencies without going through state capitals for clearance, has been maintained ever since. Both these organizations established and still maintain Washington offices which function like other lobby to influence legislation and administrative action. The states are also organized nationally, in the Council of State Governments which also maintains a Washington Office. Thus, conflicting points of the states as sovereign entities and of the cities as significant centres of political power, are often projected into congressional committees and administrative hearings.

What this evolution means is fairly clear. On the one hand, economic and social conditions in various sections and in different states will affect their responses (as evidenced by the votes in Congress) to extensions of federal programmes into functional areas traditionally of exclusive state concern. On the other hand, the growing importance of the great cities from the point of view of social and economic

needs and interests, will make them important as sources of political action in Washington—which may not always correspond with the policies of the states in which they are located. This possibility is demonstrated, for instance, in the debate over the 1956 Water Pollution Control Bill. The Council of State Governments took one position before Congressional Committees; the American Municipal Association presented an opposite position to the same Committees. The implications of the emergence of the metropolis as a political force are less clear than the results fiscally and administratively. In the patchwork of governmental units in the U.S.A., the great metropolitan areas find themselves stalemated in fiscal and administrative actions essential to meeting common problems. Here, as in other countries, there is urgent need for political invention in creating new metropolitan structures.

### *Functional Aspects of Federalism*

The traditional division of function between the federal and state governments as defined by the Constitution, has been undergoing continuous modification—almost from the beginning. It is unnecessary here to catalogue the limited range of functions assigned by the Constitution to the federal government, as these functions affect people in their localities and states. Since all other functions were to be carried out by the states, continuous shifts in actual, if not constitutionally recognized, functional activity, has significantly modified the original pattern.

The causes for these shifts—towards increased state centralization and expanded federal action—have already been noted. Economic, social, and technological changes have imposed increasingly complex administrative requirements on government at all levels. These requirements, in turn, necessitated more effective governmental machinery operating over wider territorial and functional areas. Thus, the case for centralisation of responsibility for one function after another operates between localities and the states as much as between states and the national government. The essential difference which made state centralisation of functions easier to accomplish than national centralisation was, of course, the fact that municipalities possessed no "sovereignty". They were creations of states and could, at any time, be modified in structure or function by the will of the state legislature.

The process of centralisation began in the future states during the colonial period. The responsibility for standards and sometimes for operations in such fields as education and highways began even

in the 17th century. When the original state constitutions were drafted, the range of state action, direct or indirect, on purely local affairs, as then conceived was rather strictly limited. Experience during the 19th and 20th centuries, when economic, social, and technological changes were rapid and pervasive, led to increasing state centralisation of both direct function and supervisory control. The range of local control was substantially narrowed over the past century—in the face of the new demands of an expanding and increasingly urban nation.

An offset to this trend may be noted in recent years. The movement for "Home Rule" in 20-odd States has led to efforts to guarantee citizens some degree of independent control over the structure and functions of their local governments without state legislative interference. Some efforts in a few States have also been made to reorganise the patchwork of local governments which now exists in all the States into a pattern more in line with the actualities of residence, occupation, and resources.

There are today 3049 counties, 16,778 incorporated municipalities, 17,202 towns and townships, 67,346 school districts and 12,319 other special districts. Not infrequently, there will be as many as four or five (sometimes more) layers of local government on a single property or within a single township. In an effort to bypass jurisdictional boundaries, a few states have experimented with formulas by which two or more local governments may combine by contract or otherwise for common services. Although this movement toward integration of local government is a hopeful one, it obviously does not go far enough to meet the urgent need of functional and governmental integration in the larger metropolitan centres. The possibilities—and the activities—of overlapping function are obviously enormous here.

The trend toward functional centralisation found within the states is paralleled by that between the states and the federal government. Although the constitutional relationship, as already indicated, is different it is interesting to note the functional range of federal grants to States. As of 1955, there were 61 separate federal aid programmes which can be grouped under such headings as: education, research and specialised direct services, agriculture, forestry, highways, public health, vocational rehabilitation, employment security and public assistance, wild-life restoration, disaster relief, civil defence, hospital survey and construction, veterinary services, airport development, slum clearance, urban planning and renewal. If we compare these broad headings with the grants of power under Article I, Section 8 of the Constitution of 1787, it would be hard to find a single one of these categories, to say nothing of the specific items, which could be directly related to one of the original federal powers. Their inclusion in accepted

federal action reflects how far economic, social, and technological changes over the past 169 years have affected the functional range of federal action.

### *Fiscal Aspects and Implications*

As already suggested, the most pervasive form of centralising action either by the States or Washington is the grant-in-aid. Many formulas have been worked out by both the state and the federal governments for local and state participation as to the basis of apportionment of grants and of matching requirements. As federal funds flow increasingly directly to localities, with only a formal channelling through the state governments, the problems of equitable allocation and appropriate matching formulas, will, no doubt, increase because of the wide variations in economic and social needs between localities in different states. The whole philosophy of the grant-in-aid system, indeed, needs periodic review to ensure its adequacy to meet the differentials in the changing conditions underlying a particular grant. The relations between grants and subsidies and the effects of different types of grant and subsidy and of different grant formulas are all matters of urgent and sometimes critical importance in the effective development of programme and of federalism.

In a free society, it can be assumed that political pressures will be applied by interested parties to obtain maximum benefits for themselves—at least as they conceive these benefits. Alignments of the states and cities in national “pressure groups”, and the differences in economic and social resources of different states and communities noted above, may be expected to affect allocations and formulas even more openly in the future than they have in the past. The development of a specific state or national aid programme has many functional and administrative overtones which may induce open political action.

Some further implications of the grant-in-aid may be noted. In many states, grants to local communities represent substantial proportions of both tax collections and local budgets. The same is true for some of the less wealthy states so far as federal grants are concerned; these grants may represent a major item in the state budget. Thus, policy at the state level and also at the local level will be vitally affected by the range and size of grants between governmental levels. Since the economic effects of grants are so important to some states and many communities, their political effects on local and state tax policies may become important. The long-run impact of grant-in-aid programme may be more pervasive than its immediate purpose.

Grants may meet some of the problems in federalism, such as the need for equalisation of opportunity between differentially advantaged



areas (e.g., education) and the stimulation of local initiative in the development of services. Less evidence exists as to the effects of different types of grant (or allocation) on continued local interest and initiative. How, for instance, do specific, as compared with block, grants affect programme initiative at the lower level of government? Little evidence on this and similar points can be derived from current American experience.

The "Report of the Finance Commission, 1957" just released, provides significant answers to some of the questions in this area. It is indeed a major contribution to contemporary thinking and will be widely acclaimed outside India. After reviewing recent Indian experience and programmes in other federal states (para 45-58) the Commission proceeds to develop a thoughtfully conceived set of principles of 'grants-in-aid' (para 59-66). To the foreign observer these principles have wider implications and applications than to India alone during the Second Plan. They reflect the Commission's acumen in balancing the Centre's consent for meeting national targets in specific programmes with incentives to the States to contribute equitable shares materially and administratively.

The Press has already noted some of the Commission's specific recommendations such as those regarding shared taxes. The Commission's analyses of grants-in-aid to the States (paras 122-132) are no less important for completing the second Five Year Plan. The principle of "devolution of taxes" affects the fiscal policies of every federal state and is certainly applicable beyond as well in India. The Commission has here buttressed the forces of democracy in decision-making at the local level. The Commission's courageous stand on these grants—that they should be made unconditionally and not limited by central review of each State's success in implementation—has wide implications. Its considerations to avoid matching grants (paras 190-192) point in the same direction.

### *Administrative aspects of Federalism*

Problems in interlevel administrative co-ordination are clearly of the first importance, especially in a federal government. At the state and local levels, too, interlevel co-operation is becoming useful, even urgent, in many functional fields.

At the state level, the interstate compact as an intralevel device is being extended to many new areas. The federal constitution allows the states to enter into agreements among themselves, with Congressional assent—now not infrequently authorized in advance of state action. About 100 compacts between from two to over half the states are now in force. Subject-matter ranges from boundary

settlements, control of water supply or sewage disposal, disaster (forest-fire or war-damage) co-ordination, and conservation of natural resources to control of migratory relief clients, juveniles—and husbands. Another intralevel device exists in the Council of State Governments. It now includes a wide range of interstate co-operative activities and programmes. It is responsible for much integrative development at the policy level through the annual Governors' Conference (dating back to 1908) and the Committees on Interstate Co-operation now found in all the state legislatures. At the administrative level, the Council organizes many national and regional conferences of state officials in various functional fields: law, highways, education, welfare, etc. It serves as a research clearing house for many of these groups and stimulates their own organization as independent associations with their own programmes and staffs. (It may be noted also that several important associations of state administrative officials in different functional areas are organized outside the Council). At the local level, the state Leagues of Municipalities provide some of the same types of intralevel co-operation as the Council of State Governments at the state level. Many functional areas of local and county government illustrate the same trend toward statewide (sometimes national) associations of administrative officials. It would, indeed, be difficult to mention any important local function without an association—in practically every state, and many on a nationwide basis. In overlapping functional areas, moreover (e.g. housing, highways), administrative officials from two or three levels will attend the same meetings and may belong to the same associations. The impact of these associations from the interlevel standpoint has already been mentioned; they operate in the state capitals as well as in Washington. From the intralevel standpoint, they facilitate, often induce, much official administrative co-operation.

On the governmental side, a few techniques for co-ordinating interlevel action, stimulating interlevel co-operation, have been developed in the U.S.A. Consultation and ultimate agreement on action, must, of course, take place between officials at two (quite frequently three) levels in any grant-in-aid programme. Coercion is here an ultimate sanction (e.g., withholding all or part of grant); very little would, however, result in any programme, were less formal resolutions of conflicts between levels not the rule. Most grant programmes do, in fact, create wide co-operative relations between officials at different levels.

For most large-scale programme agencies, both federal and state, there is a nationwide or statewide regional organization. The staffs of regional offices may perform both direct (e.g., tax collection) and

consultative (e.g., education) field services. In either case, they must necessarily deal with, often through, officials at another level. In some programmes, officials of one level may be authorized to carry out duties of those at another level (e.g., local, state, national, public-health officers; state, national game wardens; police in certain fields).

Finally, the device of the interlevel "conference" (often a training programme) is widely utilized in such fields as utilities, securities and transport regulation, taxation, labour legislation, police. Informal co-ordination of administrative practice between officials at different levels often creates positive co-operation in meshing national-state or state-local action.

This brief review of administrative devices for intralevel and interlevel co-ordination suggests the variety of administrative (and other) techniques, formal and informal, which American federalism has created. The reader will already have noted various analogies—and contrasts—with similar problems and practices in India. There is, of course, a strong balance here on the side of the Centre, constitutionally, politically (including the Parliamentary system), and administratively. May it be that, in the years ahead, the centrifugal forces, inherent in the traditions as well as the structure, of the U.S. will also appear here? May it also be that, if they do not appear spontaneously, they will have to be created in order to strengthen an already viable democracy?

### NOTES

The reader interested in this topic will find the following items useful:

Anderson, W., *The Nation and the States, Rivals or Partners?* (Minneapolis, University of Minnesota Press, 1955).

Benson, G.C.S., *The New Centralization* (N.Y., Farrar and Rinehart, 1941).

Clark, J.P., *The Rise of the New Federalism* (N.Y., Columbia, 1938).

Macmahon, A.W., *Federalism, Mature and Emergent* (Garden City, Doubleday, 1955).

#### *U.S. Government*

Commission on Intergovernmental Relations, *Report* and other documents (Washington, Government Printing Office, 1955).

First Hoover Commission, *Federal-State Relations* (81st Congress, 1st Session, Sen. Doc. 81).

White, L.C., *The States and the Nation* (Baton Rouge, Louisiana State University Press, 1953).

## CORRESPONDENCE

### THE ADMINISTRATIVE PERSONNEL IN INDIA— OVERSATURATION OR UNDERSATURATION OF INCENTIVES

*The Editor,  
IJPA.*

Sir,

The article entitled "The Administrative Personnel in India" by Shri P. Prabhakar Rao and Shri P.C. Suri, published in Vol. III, No. 3 issue of the *Journal*, plausibly starts with the problem of "securing in the service cadres integrity, creativeness and incentives, adequate to the three challenges of development, socialism and democracy", but proceeds to confine itself to the problem of oversaturation and undersaturation of incentives in the services. The gravamen of the authors' criticism seems to be against the oversaturation of incentives to the direct recruits to the I.A.S. The remedy suggested is the liberalisation of recruitment and promotion policies.

2. The assumption in the recruitment policies for all civil services of repute from the Chinese Civil Service of Confucian days down to the British Civil Service of today has been that only a competitive examination can bring out the best talent to man the administration. In England, ever since its first introduction in 1854 on the basis of the recommendations made in the Northcote-Trevelyan Report, the principle of competition in recruitment to the civil service has never been questioned. In India too, the tradition has been that of a competitive civil service. Its supreme merit is that it admits into it persons of ability and energy by open competition. It is impossible to over-stress the significance of this modern type of civil service which is neither elected from below nor appointed from above. About this H.G. Wells wrote in one place—"Elected it would be like the politician merely a reflection and an exploitation of the self-pushing person type; appointed it would be service to the masterful predatory adventurer."\* Even the present I.A.S. recruitment rules state that the first method of recruitment is by competitive examination.

3. The joint authors virtually recommend an abandonment of this tested and proved method of recruitment. They have mentioned

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\* "The Changing Civil Service", C. S. Venkatchar, I.C.S.; The Metcalfe Home Journal, Vol. II, No. 1.

some demerits in the competitive system to justify its abandonment. The first is that it requires "an expensive education in early years, which only 'better placed' persons can afford." This objection, which could have been readily accepted when the competitive examination was being held in England alone, is no longer tenable now when the competitive examination is held at several centres in India accessible to candidates of all regions. An analysis of the 'class composition' of direct recruits in recent years will certainly reveal that most of them do not come from the better placed class at all. They come mostly from the middle class—neither monied nor landed, a class which has only its intelligence to fall back upon. One really wonders what "expensive education in early years" is necessary for entry into the I.A.S. All that is required is a university degree. Is it intended that a university degree should not be a necessary qualification for entry into the civil service? If that is so, it will mean an abandonment of yet another major premise of our recruitment policy. At present "Broadly speaking a university degree in arts or the pure science is an essential qualification for direct recruitment not merely to the administrative and executive Services in India but also to many of the sub-executive and higher clerical Services".\* As it is, poverty is no bar to the entry by merit into the Indian Administrative Service.

4. Yet another argument advanced against direct competitive recruitment is the lowering of performance standard in competitive examinations. This, in turn, is attributed to the fact that "the standard of intellectual discipline, initiative and assimilated knowledge at universities has gone down in recent years." The alleged decline in the standards of university education and the competitive examination is an issue open to discussion; it cannot obviously be taken for granted. Falling marks do not *ipso facto* imply a fall in the standard. Marks obtained in a year show the relative performance of candidates of the same year. They are not adequate basis for comparing the merit of candidates of different years. It must also be borne in mind that the overall percentage of marks is partly determined by the marks obtained in *viva voce*. However, the real issue involved is not that of absolute standards but of relative standards only. If deterioration has set in the best class of people, it is not likely that elsewhere the standards have risen; on the other hand deterioration is likely to be far worse in occupations other than the public services. It is not that there is fall in the standard in universities and the rise in the standard elsewhere. It is not that the calibre of the competitive recruits to the I.A.S. has fallen and that of nominated recruits has risen. The only relevant

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\* Recruitment to Public Services, IJPA, Vol. III, No. 2, p. 152.

point to be considered is this : "Assuming a deterioration in the general standard of national performance, what is the best way of selecting administrative talent?" And the answer must be "by competition alone".

5. The principle that competition should be the principal method of recruitment to the I.A.S. is thus unassailable. Any other principle must surely be considered to be a retrograde step. In recent years, however, this principle seems to have been given a go-by in India. The transitional factor in the shape of disappearance of the British element and the long term need of augmenting of the strength of the civil service *pari passu* with the expansion of public sector, both these have led to a sudden liberalisation of recruitment to the I.A.S. Recruitment methods other than that of the competitive examinations have tended to make the I.A.S. a predominantly nominated service. This is borne out by an analysis of the composition of several I.A.S 'cadres'. An analysis of the cadre of which the writer is a member shows that of the total strength of 74, only 14 are direct recruits to the I.A.S. and only four are from the I.C.S., the rest (56) being all nominated members of the I.A.S. This is true about the other cadres too. It has been clearly stated in the Second Five Year Plan that "The requirements of personnel belonging to this service (the I.A.S.) have recently been reviewed in terms of likely needs over the next 5 years, and arrangements for taking 386 additional officers from among persons with previous experience have been decided upon. This will be in addition to recruitment during the next five years of 225 persons in the junior scale through competitive examination". It is, therefore, obvious that the present trend of recruitment to the I.A.S. is towards overliberalisation which has made it a predominantly nominated service. Some cadres of the I.A.S. are but old wines of state civil services in new bottles. Thus the I.A.S. no longer has the characteristics of a competitive service. It has lost its *esprit de corps*. It has become an amorphous body of heterogeneous elements. It has lost the unity and strength which common background and tradition alone give. One can no longer be sure that an I.A.S. officer today is a product of a particular training considered as indispensable for the highest administrator. One can no longer be sure that an officer in charge of a Division must have been first in charge of a District nor that an officer in charge of a District must have been first in charge of 'Sub-Division'.

6. The overliberalisation of recruitment to the I.A.S. is likely to destroy more incentives than it would create. The continuous induction of nominated officers may dampen the initiative and lower the

morale of the officers directly recruited. The nomination of some from the state services to the I.A.S. to the exclusion of others, may be a disincentive to those who are excluded for reasons not as objective as the result of an open examination. The authors have recognized "the preservation of integrity in the service especially against the corroding political influences" as an important problem. The increasing nomination is likely to make this problem graver.

7. Referring to the undersaturation of incentives to the nominated recruits to the I.A.S. as against the oversaturation of incentives to the direct competitive recruits, the joint authors point out that 472 officers would have to retire without reaching the top level. It is surprising how this could be considered as an undersaturation of incentives. After all those who enter into a service at an advanced age cannot expect to reach the top level. Their nomination to an all-India service, though they had started their careers as members of State service only, does itself constitute an oversaturation of incentives. The joint authors have also referred to the problem of under-incentive to the junior development personnel; but the growing echelon of development administration would itself provide sufficient incentive to them. Since their field of experience is confined to the state only, their entrance into the I.A.S. in large numbers will decidedly affect adversely the outlook and high traditions of the service which go with its all-India character.

8. The overliberalisation mentioned above has not only led to the abandonment of the principle of merit, it has also brought about an eclipse of the real all-India character of the service. The nominated element which now predominates the Indian Administrative Service is completely steeped in state traditions. While most of the direct recruits go to states other than their home-states, the nominated elements tenaciously cling to their own states. All this is not conducive to the unifying force which an all-India service along with other institutions is supposed to give.

9. All in all, today, in the recruitment to the I.A.S. there is too much liberalisation and not too little. The problem is really universal. In the haste for expansion—expansion of state activities, expansion of education, expansion of medical facilities—are we going to sacrifice merit and quality by excessive liberalisation? If we do so we will defeat the very purpose we aim at. Let us make haste slowly.

Yours faithfully,

P. R. Dubhashi

## II

Sir,

Shri Dubhashi's criticism appears to be based on a misunderstanding of certain basic assumptions underlying our article. Shri Dubhashi, generally assumes that (1) the competitive system of recruitment is an end by itself, and (2) merit selection from amongst a limited group is 'nomination'.

2. That the 'competitive system' is not an end itself has never been a matter of dispute. The competitive method is intended both to eliminate "political patronage" and to secure "unusual intellectual attainments". In the top civil service, the most essential qualities that have to be ensured are continuous initiative and the capacity to integrate diverse talents and to secure the co-ordination necessary for achieving the "ends" of the Governments. This is a role requiring extraordinary intellectual and organisational leadership coupled with an adequate measure of philosophic detachment. The measuring of these qualities on the basis of relevant standards only is, therefore, not enough; it is imperative that the devices adopted for recruitment secure unusual intellectual attainment. This is what the Northcote-Trevelyan Report laid special stress on. That Report also favoured "promotion generally by merit". The main theme running throughout the article is the same—the need to secure outstanding individuals for the top echelons of the civil service from all sources within the administration and even from the academic disciplines.

3. We have nowhere advocated the abandonment of merit as the criterion of recruitment; we have, on the other hand, pleaded that the method of 'selection' on basis of merit should be used to a greater extent than at present with a view to both providing requisite promotion opportunities for administrative talent which develops within the services to come to the top and broad-basing the internal incentives. The principle of merit remains unassailable both under a competitive system of direct recruitment and selection based on merit. To confuse the latter with nomination, as Shri Dubhashi does, is to controvert facts to suit one's prejudices which plague the field of public administration so much today. The same applies in a way to Shri Dubhashi's criticism of our conclusion about the undemocratic character of the present system of expensive education so far as direct recruitment of the I.A.S. is concerned. He forgets that a very small fraction of 1% of the population are graduates in the country. Incidentally, the reference in our article to the two emergency bulk recruitments to the I.A.S. does not imply that this should become a recurrent



feature. They were intended to meet a situation which could not perhaps be foreseen sufficiently in advance. How far these methods have succeeded in selecting the right type of personnel can be known only if a follow-up study is undertaken.

4. The oversaturation of incentives for direct recruits which we specially brought out in our article has to come in for severe criticism at the hands of Shri Dubhashi. It was never suggested that persons who enter the I.A.S. at an advanced age, in all cases, should reach the top level. But it is decidedly wasteful not to provide opportunities for rising to the top to a large number of officers of proved abilities who are employed in the lower echelons of the various chains of administrative hierarchy and at the same time allow *effortless* opportunities to direct recruits to rise. A promotion should always be earned and no one should be able to glide up without any challenge.

5. The manifold complex tasks in the field of development and welfare involved in building up a new social structure present a challenge to the service. We should go a long way to instill into it *esprit de corps*. Let us face the challenge in the right spirit and not look for "common background and traditions" of an out-of-date past, which is not in keeping with the secular and socialistic pattern that we have set as our ultimate goal.

Yours faithfully,  
P. Prabhakar Rao  
P. C. Suri

## EDITORIAL NOTES

In the first issue of Volume I, published in April '55, we had ventured to express the hope that the *Journal* would increasingly become the national forum for exchange of information and discussion of contemporary problems of Public Administration in India. With the present issue, which marks the completion of the third year of its career, it is possible thankfully to assert that the hope has not been belied.

This issue contains articles on some important administrative problems of the day—on expanding governmental functions and operations by *Shri H. M. Patel*, on problems of university administration by *Shri C.D. Deshmukh* and on smoothness and stability of relations between the Government and the Party by *Shri N. V. Gadgil*. The readers may find equally interesting the article by *Prof. Phillips Bradley* on inter-governmental relations in the U.S., especially in the light of some of the corresponding aspects of the contemporary Indian situation as recently lime-lighted in the report of the Second Finance Commission.

—Editor

## RECENT TRENDS IN PUBLIC ADMINISTRATION IN INDIA

*(The Institute started a monthly Newsletter early in 1957. It makes available to readers detailed information about recent events in the field of public administration in India. Instead of repeating our usual news feature, we, therefore, thought it would be useful to present, without going into too much details, a bird's-eye view of developments which have taken place in India during the last six months generally. This summary, we hope, will help to highlight the trends.—Ed.)*

### I. Services Organisation and Recruitment Methods

In recent months, several steps have been taken by the Governments in India in the direction of the reorganisation and strengthening of service cadres and imparting of an element of elasticity to methods of recruitment. At the Centre, two service-cadres—the Central Health Service and the Central Legal Service—were created for manning posts primarily of medical and legal character respectively. The scheme for the creation of Central Administrative Pool made further progress. Rules regarding pay and other conditions of service of officers both of Grade I and Grade II, to be included in the Pool, have been formulated. The selection will be made by a Committee of Senior Secretaries, including the Cabinet Secretary and a representative of the Central Services, headed by the Chairman of the U.P.S.C. The strength of the I.A.S. cadres for Assam, Bihar, Andhra Pradesh and Bombay was suitably increased. One hundred and eighty State Officers were promoted to the I.A.S. as a special recruitment quota, bringing the total number of the I.A.S. officers in position to 1583 (this number includes 77 probationers at present undergoing training at the I.A.S. Training School, Delhi). The authorised permanent strength of the Grade I, II and III cadres of the Central Secretariat Service was increased from 225, 389 and 540 to 347, 421 and 589 respectively. In U.P. the separate service-cadres of the three branches of the Secretariat, viz. the General, the Finance and the Public Works, have been merged to form a common pool of personnel in order to widen the area of promotions.

There is manifest a general trend towards the reorientation of recruitment methods. Parliament has recently enacted legislation doing away with the requirement of domicile in States concerned for public appointments. Following the recommendations of the Public Service (Qualifications for Recruitment) Committee, the Government of Mysore has revised the essential requirements for direct recruitment to the State Ministerial Services to allow candidates with an intermediate or its equivalent certificate to compete for posts of first division clerks, and those with S.S.L.C. or its equivalent for lower ministerial jobs. The Government of Punjab has also abolished the degree requirement in regard to 50% of the new vacancies of clerks in the Secretariat and Finance

Commissioner's Office and has thrown open these posts to first-class matriculates and second class under-graduates.

At the Centre, the Union Government has ordered that the personality test, which forms part of the combined competitive examination held annually by the Union Public Service Commission for recruitment to the I.A.S. and allied Services, will no longer carry any qualifying marks. The marks secured in the personality test would be added to the marks obtained in written papers and candidates would be ranked on the basis of the total. At the instance of the Union Ministry of Home Affairs, the Union Public Service Commission has also worked out an improved procedure for recruitment of scientific and technical personnel, with a view to introducing elements of flexibility and speed. The Commission will group together vacancies, for which, more or less, similar qualifications, experience, etc., are required, and proceed to make bulk selections. This would obviate the necessity of fresh advertisements being issued every time a vacancy occurs. It has also been decided that, in cases where persons with sufficient practical experience are not available, practical experience should be made an additional, instead of an essential, qualification. The intention is that, so long as shortage of technical personnel continues, Government should be prepared to provide, whenever possible, practical training to comparatively inexperienced personnel after taking them into services, instead of demanding practical experience as a pre-requisite for entry into service. Possibilities are also being explored of instituting a continuous open competition (*i.e.*, with no closing date), as in the U.K., in the classes of posts in which number of applicants is regularly smaller than the number of vacancies.

To take fuller advantage of the experience of the senior service-men by retaining their services for a longer period, the State Government of U.P. has raised the age of retirement from 55 to 58 years both for State Government servants and the employees of local bodies. In the defence services the age for compulsory retirement or release for officers of the rank of major and below has been raised from 40 to 50 temporarily. Further, with a view to providing a wider field of selection and greater opportunities for a larger number of serving soldiers to apply for Commission in the Army the maximum age-limit for entry has been raised from 25 to 27.

The State Government of *Bihar* has recently successfully experimented with a scheme for the raising of the educational standards of entrance to the higher levels of State Police Services. During the years 1953-56, the State Government tried in some areas an experiment of recruiting 50 per cent of the Inspectors of Police, meant for holding charge of police stations, directly from the open market by competition through the State Public Service Commission. The scheme has been now extended to the whole metropolitan district of Patna.

## II. Manpower Planning & Training

The assessment of and planning for country's manpower requirements appear to have received considerable impetus in recent months. In order to supplement the data collected by the Engineering Personnel Committee, which submitted its report in 1956, detailed studies have been undertaken by the Planning Commission in regard to employment of engineers in manufacturing industries, in electric undertakings and in engineering in general. A Committee has been set up by the Ministry of Commerce &

Industry to assess requirements of craftsmen training. The employment marketing information programme of the Union Ministry of Labour & Employment has made further progress and the States are now in the process of putting the necessary staff in position. The report of the Agricultural Personnel Committee, which was appointed by the Union Government in March 1957, is expected shortly; its recommendations would cover not only agricultural personnel but also personnel required for community projects and national extension service, for industries connected with agriculture, and for agricultural economic research. In order to help meeting the shortage of technical and scientific personnel, the Central Government has decided that the National Register of Scientific and Technical Personnel, maintained by the Council of Scientific and Industrial Research, should be reorganised and expanded to provide comprehensive and authoritative information on national resources of scientific and technical personnel. The manpower studies which are in progress are designed not only to serve as the basis for the extension of facilities for technical and scientific education but also to throw light on the need for strengthening of appropriate training facilities in the country. Realising the latter's importance, some of the State Governments have recently set up separate departments of technical training and education. For instance, the Government of *Andhra Pradesh* has constituted a 23-member Board of Technical Education and Training consisting both of officials and non-officials, to advise them on the co-ordinated development of technical education in the State at all levels.

In the field of training, the Central Government has instituted for the first time a refresher and re-orientation course for the I.A.S. Officers. The first course began at Simla on May 15; and the second, on September 2. Seminars and syndicates form important features of the system of instruction. The course includes attachment to central Ministries for a duration of a fortnight.

Schemes for training of Officers recruited to the State Administrative Services have also in recent months received a fillip. The Government of *Rajasthan* has decided to establish a Training School for training of officers of the Rajasthan Administrative Service. This institution, to be located at Jodhpur, will be utilised mainly for the training of persons directly recruited to the R.A.S. It will also provide refresher courses for officers already in service and for subordinate revenue officials. The *Assam O & M Division* has evolved a scheme for training I.A.S. and A.C.S. Officers. It is an enlargement of the existing training programme in survey and settlement and is designed to give a grounding in the laws, rules and regulations of special application in the State. This will be the first training course for the Assam Civil Service Officers in subjects other than survey and settlement. The scheme provides for practical training as a part of the course. The Government of *Bihar* recently organised an Administrative Officers' Seminar at Rajgiri. It was attended, among others, by the District Magistrates, Sub-Divisional Officers, Development and Dy. Development Commissioners of the State. A six-week training course for newly recruited clerks and those with less than one year's service is being organised in the *Punjab*.

The Union Government have decided to revise the syllabus of training at the I.P.S. Training School, Mount Abu, in order to include studies of crime psychology, scientific aids in detection of crime, methods of combating

corruption, and fire and emergency relief. It has also been decided to shift the School to Nagpur.

The first course at the Administrative Staff College at Hyderabad started on December 6. About 30 participants drawn from the Central and State Governments, public enterprises and private business establishments have been admitted to the first course; the number of candidates for future sessions will be increased to about 60 gradually. The greater part of the instruction is being carried out in syndicates of eight or ten so grouped that each syndicate represents a cross-section of administrative experience. Mr. J.W.L. Adams, a member of the staff of the Administrative Staff College at Henley-on-Thames in England, is assisting in planning and conducting the work of the first four sessions.

### III. Conditions of Service

With the rise in the cost of living during the year, most of the States have granted an increase in the dearness allowance of low-paid government employees, e.g., Andhra Pradesh, Bombay, Bihar, Kerala, Madras, Mysore, Rajasthan, West Bengal and U.P. The rise in the cost of living also led to a growing demand for revision of the salary structures of the lower ranks of the public services; this demand has become insistent in face of the recent emphasis on the reduction of economic inequalities in general. The Central Government appointed a Pay Commission, on the 21st August 1957, with *Shri Justice Jagannatha Dass* of the Supreme Court as its chairman, to enquire into the principles which should govern the structure of emoluments and conditions of service of Central Government employees, the changes therein desirable and feasible, and the extent to which the benefits of the Central Government employees can be given in the shape of amenities and facilities. In making its recommendations, the Commission is required to take into account, among other relevant factors, the historical background, the economic conditions in the country, and the implications and requirements of developmental planning, and also the disparities in the standards of remuneration and conditions of service of Central Government employees on the one hand, the employees of the State Governments, local bodies and aided institutions on the other. The Commission invited memoranda not only from the service organisations but also from government public servants in their personal capacity.

The Union Government has recently brought the benefits for Class IV employees, in regard to pension, medical aid and leave, on par with those for higher classes of civil servants. The minimum distance for the availability of P.T.O. railway concession has in their case been lowered from 250 to 100 miles. The Railway Administration has sanctioned, retrospective from April 1, 1957, a comprehensive pension scheme for railway employees. Over one million railway employees are expected to benefit from the scheme, which confers a retirement benefit after 30 years of qualifying service, or superannuation in the shape of a monthly pension plus a lump sum in the shape of a retirement gratuity up to a maximum of an employee's emoluments for 15 months.

### IV. Economy and Efficiency

The problem of balancing needs and resources in the framing and implementation of the Second Five Year Plan has high-lighted the need

to maximising true economy and efficiency in the Central and State Administrations. The Central Cabinet has appropriately called upon each Minister and Secretary "to devote urgent and continuous attention to the maintenance of efficiency, integrity and economy in administration". To this end, the Ministries have been directed to review the nature, volume and quality of the work done at all levels and to take practical steps to remove defects and effect economies. The Cabinet also decided earlier that when a new activity is undertaken or a new office or branch is to be opened, the most suitable organisation and methods should be settled in consultation with the O & M Division before any staff is appointed. The final responsibility for effecting economy rests with the individual Ministries, which are being assisted in this task by the Economy Unit of the Ministry of Finance and the Central O & M Division. Matters are discussed on the spot and, as far as possible, mutually agreed decisions arrived at. Outstanding issues are referred to a Committee consisting of the Principal Secretary, Finance, the Home Secretary, the Secretary of the administrative Ministry concerned and the Director, O & M. The Committee also generally guides and supervises the work of the Economy Unit. To implement the Cabinet's directive for reviewing the present work methods and staffing arrangements, most of the Ministries have set up Economy Boards or Committees at the level of the Ministry, and 'Economy Cells' at the level of the Department. Savings are being effected by cutting down non-essential items of expenditure on men and materials. The Ministries of Works, Housing & Supply and Irrigation and Power have issued specific instructions regarding the most economical use of raw materials like steel and cement, and the use of indigenous in place of imported materials.

Most of the State Governments have also set up economy committees to scrutinise redundant items of expenditure and devise ways and means for securing economies. The Bihar Government have set up an Evaluation Unit, staffed by a senior administrative officer, an expert economist and a finance and accounts officer and other staff, to assess the implementation of State schemes and project under the Second Plan. The reorganisation and overhaul of the administrative machinery through the institution of administrative reorganisation enquiries, i.e., making the administrative system run at the same level of efficiency but at a lower cost, has been engaging the attention of several States.

Such enquiries have been started in Kerala, Madras, Andhra and Mysore. The terms of reference of the enquiry committee set up in *Andhra Pradesh*, under the Chairmanship of *Shri K. Brahmananda Reddi*, include the questions of re-deployment of surplus staff, if any, at all levels, and of redistribution of work to avoid duplication. In *Kerala*, the State Government has constituted a seven-man Administrative Reforms Committee, with the Chief Minister as chairman, to enquire into the working of the State administrative machinery in order to assess its adequacy for a democratic government in a welfare state and suggest measures for improving its efficiency. *Prof. V.K.N. Menon*, Director, Indian Institute of Public Administration, is a member of the said Committee. The *Madras* Government has appointed *Shri T.N.S. Raghavan*, Member, Board of Revenue, as Special Officer to suggest re-organisation wherever necessary and economies wherever possible; his terms of reference include the creation of a permanent 'O & M' Division in the State Secretariat, retrenchment of surplus staff, "yard-sticks" for determining staff complements, merging of 50% dearness allowance with pay,

and the appointment of a Financial Commissioner on a permanent basis and his relationship with Departments and the Government. The *Mysore* Government has secured the services of *Shri A.D. Gorwala*, an expert in public administration and retired ICS officer, to suggest steps for the toning up of State administration. *Shri Gorwala* will study the present sources of State revenue, and suggest steps for the efficient administration of the existing taxation laws. He is also to review the arrangements made for the administration of state-owned industries and suggest a pattern of administration for their efficient management and future development.

The Government of *Bombay* has asked *Shri V.T. Dehejia*, I.C.S., Special Secretary, Political & Services Department, to enquire into the organisation and working of district, sub-divisional, taluka and mahal revenue offices, in particular, structural arrangements, simplification and streamlining of work procedures, standards of workload, staff standards and training, public relations, and the integration of executive and development functions in revenue offices. In *U.P.*, the recent emphasis has been on the reorganisation of the district collectorate. Efforts have also been concentrated on reducing paperwork, by introducing a system of passing of files by Heads of Departments to the Secretariat for obtaining the latter's orders, in place of the existing method of communication by letters.

A trend connected with the movement for a general administrative reorganisation, afoot, in the States, has been the delegation of enhanced financial and revenue powers. In *Mysore*, orders have been passed for delegation of greater financial powers to Heads of Departments in pursuance of the recommendations of a Secretariat Sub-Committee on the subject appointed in June 1956. The State Government has also separated the work of Sales Tax Tribunals from the Board of Revenue and constituted two separate tribunals, i.e., the Revenue Appellate Tribunal and the Sales Tax Appellate Tribunal. As a measure of uniformity in the nomenclature of revenue officials, the heads of revenue administration at the district, sub-division, and taluk levels have been redesignated as Deputy Commissioners, Assistant Commissioners, and Tehsildars, respectively. In *Orissa* in pursuance of the policy of decentralisation of administration for ensuring better administrative control and more expeditious work, the 3-member Board of Revenue of the state was transformed into a single-member Board of Revenue with effect from August 30. The regional functions performed by the Board of Revenue have now been entrusted to the Revenue Divisional Commissioners whose appointments have been authorised by the Revenue Divisional Commissioners Act, 1957. The State Government has also given to the Revenue Divisional Commissioners as large a measure of administrative control over the Orissa Administrative Service (Class II) and the Orissa Subordinate Administrative Service as possible, consistent with Government's own responsibility in the matter, for efficient and speedy disposal of Government business.

The *Bombay* Government has delegated some of its powers to the Bombay Revenue Tribunal and the Divisional Officer of Vidharbha to facilitate speedy revenue administration in Vidharbha. The State Government has further brought about uniformity in the powers delegated to the heads of districts, for approval and sanction of schemes under the local works programme, which formerly varied from region to region in the different parts of the new Bombay State.



A large number of new departments have been set up in the States—"Social Welfare Department" and "Small Industries and Industrial Co-operatives Department" in *Bombay*, "Department of Minor Ports" in *Mysore*, and 'Department of Indology, Culture and Scientific Research,' in *U.P.* The *Bombay* Government has also constituted a Committee of Ministers to promote quick decisions and expeditious action on requests for grants or acquisition of land, provision of water supply and electric energy, construction of approach roads, provision of railway siding, etc., for industries.

#### V. Financial Administration

The Second Finance Commission has, in its recent report, proposed a devolution of an annual sum of Rs. 140 crores to the States, by way of share in central revenues and general grants-in-aid, as against an average of Rs. 93 crores during the five years ended 1956-57. In addition, the States will together gain a relief to the extent of Rs. 5 crores per year as the result of a scheme proposed by the Commission for the consolidation of central loans to them. The three principal means for the award of a greater share of central revenues to the State are: an increase in the divisible pool of income-tax from 55 per cent to 60 per cent, the addition of five commodities to the existing list of three of which the proceeds of central excise duties are now shared with the States, and the disbursement of substantial grants-in-aid to 11 out of the 14 States.

The Commission has, in unequivocal terms, opposed the system of matching grants, which, it considers, has no place when the country has an integrated and comprehensive plan laying down priorities for the development of social services. It has further urged the need for caution in matters of administrative reorganisation. "With practically all the available resources earmarked for the plan or for meeting committed expenditure, administrative re-organisation involving increase in non-development expenditure should not be undertaken unless it is inescapable. Even then, it should be phased over as long a period as possible".

The recommendations of the Finance Commission were among the subjects discussed at the Conference of the State Finance Ministers (New Delhi, November 18). The Conference also considered questions of preventing tax evasions, collection of income-tax arrears and the amendment of the Sales Tax Act.

#### VI. Judicial Administration

In the field of judicial administration the general trend has been in the direction of formation of measures for speedy and cheap justice. The Law Ministers' Conference which met in New Delhi from September 18 to 21, recommended several measures for clearing the arrears and expediting the disposal of work, including the establishment of a high-power committee in each State and at the Centre to review the government pending cases and write applications, the fixation of a minimum of 210 working days of five-and-a-half hours for High Courts and increase in the number of and the enhancement of powers exercised by the single judges of High Courts. The Conference also approved of the suggestions of the Union Law Minister for a common agency to look after litigation (other than relating to income-tax) on behalf of the Central and State Governments. Other

recommendations related to the appointment of vigilance officers for High Courts and District Courts, the establishment of an expert committee in each State to investigate the claim for free legal aid for the poor, revival of the "attachee system" for training of States' draughtsmen, and the separation of the executive from the judiciary.

In order to facilitate early disposals of writs against tax assessments and labour award, which have gone into arrears, the Central Government are actively considering a proposal to constitute administrative tribunals with some of characteristics of the French administrative courts. The scheme would involve an amendment of the Constitution for the transference of the part of the writ powers of the High Courts and the Supreme Court.

Further progress has been reported in regard to the separation of judiciary from the executive. Separation has been virtually completed in Assam, Bombay, Madhya Pradesh, Madras and Kerala and partially in Andhra Pradesh, Bihar, Punjab, U.P., Rajasthan and Mysore.

## VII. Educational Administration

The most significant development in the field of educational administration in recent months was the convening of a Conference on University Administration by the Ministry of Education, at the instance of the Indian Institute of Public Administration. The Conference was inaugurated by *Shri C.D. Deshmukh*, Chairman, University Grants Commission. It discussed, for the first time in India, matters of university administration, such as the method of appointment of and code of conduct for Vice-Chancellors, the composition and problems of university executive bodies, financial arrangements and relations with School Boards, and administrative problems of students and teachers—matters which had not so far received adequate attention as compared to questions like courses of studies and methods of examination.

The teaching of public administration at universities has shown further progress. A 'Reader' in the subject has been appointed by Delhi University; the Poona University has set up a new department of "Politics and Public Administration" to commemorate the birth-day centenary of *Shri Lokmania Tilak*.

The State Education Ministers, who met at New Delhi from September 20-21, recommended that each State Government might set up committees to evaluate qualitatively and quantitatively selected educational schemes under the five year plan, such as multi-purpose schools, basic training colleges, youth welfare programmes, etc. While nationalisation of text books would be in the interest both of pupils and teachers, it should be left to each State Government to experiment in the field in its own way in the light of the local conditions.

The Union Ministry of Education and Scientific Research has recently set up an advisory committee to bring up-to-date the two volumes of "Selections from Educational Records" which were first published in 1919 and 1922 respectively by Messrs H. Shart and J.A. Richey, the then Educational Commissioners to the Government. The volumes cover the period 1781-1859. The Ministry has also decided to establish a Central Advisory

Board of Anthropology to advise on matters relating to anthropology and to promote closer contacts between the Union Department of Anthropology, State Governments, universities and other institutions engaged in research or training in the field.

### VIII. Local Government and Community Development

The two important recent trends in the field of local government are in the direction of the overall reorganisation of the local administrative machinery and the creation of popular agencies at the district, tehsil or bloc levels. Both the trends are inter-related and point towards the changing patterns of local government organisation in India.

In *Madhya Pradesh*, the State Government have set up two advisory enquiry committees—"Rural Local Self-Government Committee" and "Urban Local Self-Government Committee"—to advise them on achieving the necessary uniformity in the present divergent forms and functions of local self-government institutions in the state and integrating the various laws pertaining to them.

A Panchayats Union, a statutory joint body with functions, funds and executive staff of its own, has been formed in North Madurai in *Madras* State. Legislation has recently been introduced in the State Assembly, providing for the constitution of a Panchayat Union for every development block, of Panchayat Union Joint Committees, and of District Development Councils which are to replace the present District Planning Boards. It is also proposed to reorganise the Madras City Corporation with a view to increasing the number of electoral divisions, the abolition of the system of Aldermen and special constituencies, and the formation of common cadres of services with a common system of recruitment and control and of interchangeability of staff. In *Kerala*, the State Government has appointed committees at taluk and district levels for the delimitation of panchayat areas as a preliminary to the holding of general elections to panchayats early next year under the new unified law. The Government is also drafting a Village Panchayats Bill to grant wider powers to panchayats to enable them to undertake certain local works now being executed by government agencies.

With a view to democratising and decentralising district administration, the creation of popular bodies at the block and district levels has been strongly advocated in final report by the Study Team on Community Development and National Extension Service which was set up by the Committee on Plan Projects in January last, with Shri Balwantray Mehta as the chairman. At the bloc level, the Team favours the establishment of a statutory, elected, popular body to be called *Panchayat Samiti* with comprehensive functions in matters of local development and adequate powers of levying taxes and cesses. At the district level, there should be a *Zilla Parishad*, consisting of presidents of all *Samitis*, of all M.L.A.s and M.P.s and all principal officers in the District concerned, with the Collector as the chairman. The *Parishad* will co-ordinate the block plans and allot funds between various blocks; it will, however, have no executive functions. Through devolution of power to a smaller body would be the most effective method of democratic decentralisation, in States where the establishment of a *Samiti* at the block level is not considered feasible, a popular district body constituted similarly may

be set up. The Team stresses that, if this experiment of democratic decentralisation is to yield maximum results, it is necessary that all the three tiers of the scheme, *e.g.*, village panchayats, panchayat samitis and zilla parishad, should be started at the same time and operated simultaneously in the whole district. The proposal for the creation of popular bodies at the block level was discussed earlier at the third meeting of the Central Council of Local Self-Government held at Srinagar from September 26 to 28. While the Council recognised the need for a popular co-ordinating agency at the block level and of a district organisation to co-ordinate and guide work in the district as a whole, it felt that the character, composition and functions of these bodies required further consideration.

The Study Team has, among others, recommended a shift in emphasis from welfare activities to the more demanding aspects of economic development; the abolition of the distinction between the three phases of C.D. Programme, commonly known as the N.E.S. stage, the intensive development stage and the post-intensive development stage; the extension by 3 years of the time-limit to cover the entire country with NES blocks, owing to limited financial resources and shortage of technical and supervisory personnel; the restriction of the activities of the Central Government to assisting the State Governments with finances, to co-ordinating research at the highest level and to evolving, in consultation with the States, a common national policy consonant with the various five year plans; the Gram Sewak to work as Development Secretary of the village panchayat but not to be burdened with any administrative or office work; a complete separation of the functions between the Gram Sewak and the Talati or the village accountant at the village level; provision of a whole-time additional Collector to relieve the Collector of the general administrative duties; and a periodical appraisal, by an evaluating agency, besides the P.E.O., of the progress made and problems encountered in community development programme. Shri B.G. Rao, a member of the Team, in a note of dissent, has opposed the Gram Sewak's appointment as Development Secretary of the panchayat, on the ground that it will tend to nullify his primary role as an extension worker. He further favours the abolition of the Ministry of Community Development, which, he considers, is not "merely unnecessary and wasteful but also likely to lead to a lack of co-ordination and blurring of responsibilities."

## **IX. Public Enterprises**

With the speedy growth of the public sector, increasing attention has come to be devoted to the administrative problems relating to the proper organisation and management of the public enterprises. The formation of the Ministry of Steel, Mines and Fuel and the re-allocation of responsibilities for the public sector as between certain Ministries was designed to help in the solution of these problems. The Union Government has recently set up a 35-member "Co-ordinating Committee for Industrial Projects," with the object of providing a central forum for discussion of common problems of all the industrial undertakings in the public sector and to facilitate the pooling together of their experiences in meeting these problems. The Committee has further appointed three sub-committees on 'labour and personnel', 'production and training' and 'finance, purchases and sales' respectively.

The three State steel enterprises have now been brought under one management—The Hindustan Steel Limited. There is also a visible trend

towards the disappearance of the Secretary of the controlling Ministries from the management boards of public enterprises, and towards the appointment of non-official chairmen. A recent innovation in top-management control has been to place the general supervision of the operations of a corporate state enterprise under an autonomous statutory board, e.g., the National Co-operative Development and Warehousing Board in case of the Central Warehousing Corporation. With the threatened cut in the finances of the second plan, the public enterprises are not as sure of their resources as before and are, therefore, generally devoting greater attention to effect economy in operational costs.

The Central Government is shortly bringing forward a bill to amend the Damodar Valley Corporation Act to vest the Government, if necessary, with the entire control and charge of the D.V.C. as in the case of the Tennessee Valley Authority (U.S.A.).

In the field of road transport, the Sixth All-India Conference of State Transport Undertakings, which was held at Chandigarh from October 28-29, stressed, *inter alia* that in order to protect the interests of State undertakings as well as of other operators, the Government should ensure that manufacturers follow a scientific method of price fixation, should appoint an officer to provide liaison between the manufacturers and the users, and also set up an organisation to analyse and disseminate transport statistics. The Union Government have decided to set up an Inter-State Commission to co-ordinate, regulate and develop road transport throughout the country. It will also assess traffic trends, co-ordinate the operation of motor transport carriers with railways, waterways and coastal shipping. In Kerala, the single-member Commission, appointed to enquire into the working of the State national transport undertakings, has recommended the establishment of a three-member Appeal Board, consisting among others, an employee of the Department elected by its central staff council. The Board will deal only with appeals against orders passed by the Director of Transport himself; and the Government would have the right to revise the orders of the Board.

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## NEWS FROM ABROAD

### CANADA

#### *Salary Increases for the Canadian Civil Servants*

The Canadian Government has announced increases, ranging from  $3\frac{1}{2}\%$  to 12%, in the salaries of its about 140,000 civil servants and of 117,000 members of the Armed Forces and the Royal Canadian Mounted Police. These increases, retroactive from May 1, 1957, are in pursuance of the recommendations made recently by the Canadian Civil Service Commission in its comparative review of the salary changes in the private and public sectors. They are expected to aid recruitment, reduce turnover, advance promotion opportunities and maintain proper salary relationships between and within the various classes of the public service.

### PAKISTAN

#### *A Taxation Enquiry Committee*

The Pakistan Government has appointed a seven-man Taxation Enquiry Committee, with Dr. Zahid Hussain as its Chairman, to examine the entire existing taxation structure—central, provincial and local—against the background of the present inflationary spiral. The terms of reference of the Committee include recommendations for removing and preventing concentration of income and wealth which are detrimental to the interests of the common man.

#### *A Pay Commission for Pakistan*

A Pay Commission has been set up in Pakistan under the chairmanship of Mr. Justice M. Ibrahim, a retired judge of the East Pakistan High Court, to go into the pay scales and other terms and conditions of service of Class III and IV employees of the Central Government and make recommendations for their revision "keeping in view the economic conditions and financial resources of Pakistan". The Commission may even recommend any interim relief pending its final report.

### UNITED KINGDOM

#### *A Royal Commission on Local Government in Greater London*

The U.K. Government has appointed a 7-man Royal Commission, with Sir Edwin Herbert, as the Chairman, to examine the present structure and working of the local government in Greater London—roughly the Metropolitan Police District. The Commission has been asked to recommend whether any, and if so what, changes in the local government structure and distribution of local authority functions in the area, or any part of it, would better secure "effective and convenient" local government. It has been further clarified that for purposes of the enquiry the term local government does not include the administration of police or of water.

*Reform of Local Government*

Changes in the finance, structure, and powers of local government authorities in England and Wales are proposed in the Local Government Bill recently introduced in the British Parliament. The Bill is divided into three main parts. Part *one* re-rates industry at 50 per cent, instead of 25 per cent, and also substitutes over a large field of local government action a general (or block) grant for a percentage grant. On the principle that "the man in White-Hall" does not necessarily know best, the Bill proposes that from April 1, 1959, county and county borough councils shall receive a new general grant in place of a number of existing specific grants. Typical specific grants to be replaced will be those for education (other than school milk and school meals), health services, fire services, and child care. Part *two* provides for the setting up of two commissions (one for England, the other for Wales) to review the areas of counties and county boroughs, and to consider claims for extensions and also claims by large non-county boroughs (which means they would enjoy powers now in the stewardship of county councils). County Councils would then review county districts and parishes. Part *three* proposes that larger county district councils, more particularly boroughs and urban districts with 60,000 people or more, should be enabled to have a greater share of responsibilities delegated from the county councils—health, welfare, and educational functions. The White Paper on functions discussed a wider devolution of administrative responsibilities. This is one important point on which the Bill has veered away from the general drift of the three basic White Papers. The Bill, not rigidly but as a guide, raises the minimum population qualification for county borough status from 75,000 to 100,000, with an imposed delay of 15 years before the claim is staked.

*The Ten Yearly Review of Method II of Recruitment to the Administrative Class*

The ten yearly review of Method II, recently carried out by the U.K. Civil Service Commission, showed that Method II had justified itself and Method I had continued to attract able candidates. The two methods have proved complementary, since some candidates entering by one door would not have gained entrance through the other. The H.M. Government has therefore decided to continue recruiting the administrative class by both the methods. Normally not more than half the vacancies will be filled by Method II. In the senior branch of the foreign service all recruitment for the past 10 years has been made through Method II alone; and a review here has also indicated satisfactory results. But, considering the recent experience in regard to the home civil service, the Government had decided to supplement Method II by Method I for the next 5 years. Not more than three quarters of vacancies will be allotted to Method II.

## UNITED STATES

*A Career Executive Programme for the U.S. Federal Service*

The U.S. Government has constituted a 5-member bipartisan committee, under the chairmanship of Mr. Arthur S. Flemming, President of Ohio Wesleyan University to develop a "Career Executive Programmes" for the Federal Service. The Committee has been instructed to make its

recommendations in accordance with "sound merit system principles". The programme will initially be limited to federal career-employees with administrative or managerial experience in posts carrying \$12,800 to \$16,000 a year.

#### *A Task Force on Reallocation of Federal and State Functions*

The U.S. Government has set up a Task Force to examine the question of reallocation of functions and revenues between the Federal and State Governments. The Task Force has been assigned responsibilities : (1) to designate functions that the states are ready and willing to assume and finance but that are now performed or financed in whole or part by the Federal Government; (2) to recommend the federal and state revenue adjustments required to enable the states to assume such functions; and (3) to identify functions and responsibilities likely to require future state or federal attention and to recommend the level of state or federal effort, or both, needed for effective action.

#### *An Institute on American Overseas Operations*

The Maxwell Graduate School of Citizenship and Public Affairs, U.S.A., has recently started an Institute on American Overseas Operations. The Institute has organised an intensive training programme, with scholarly standards, in areas of American overseas operations—private and public—including American foreign policy and administration, the Soviet challenge, culture patterns and social change, problems of economic development, and the American heritage at home and abroad. *Dr. Gerard J. Mangone*, who recently came to India with *Mr. Harlan Cleveland*, Dean of the School, is in charge of the programme.

### UNITED NATIONS

#### *Working Party on U.N. Training Projects in Public Administration*

The Working Party of Experts which met at Geneva from October 8 to 16, discussed the major practical problems in regard to the organisation and operation of U.N. training projects in the field of public administration, criteria for and methods of their evaluation and suggestions for improving their effectiveness.

*Shri L.P. Singh*, I.C.S., Joint Secretary and Officer on Special Duty in the Ministry of Home Affairs, and a member of the Executive Council of the *Institute*, attended the meeting on behalf of the Government of India.



## INSTITUTE NEWS

### *Research Projects*

A Study Group has been set up by the Institute under the chairmanship of *Shri C.D. Deshmukh*, Chairman, University Grants Commission, to survey the changes and developments in the organisation of the Government of India since the attainment of freedom. The results of the survey will be published in a volume to be entitled "The Organisation of the Indian Central Government, 1947-57" on the lines of the volume "The Organisation of British Central Government, 1914-56" recently brought out by the Royal Institute of Public Administration, London. Most of the Ministries of the Government of India have designated an officer to assist the Institute in the project, by supplying detailed information on their organisation and working.

The Institute has also set up a Study Group on "Public Transport System in Delhi". The study is being supervised and guided by a group of experts actively concerned with the various aspects of the transport system in the Union Capital. The contemporary traffic problems are being analysed in detail and suitable solutions worked out.

Arrangements have been made for the preparation of descriptive studies on the functions, organisation and working of the All India Radio, the Ministry of Community Development and the Central Social Welfare Board.

### *Seminar on Administrative Problems of State Enterprises*

A Seminar on "Administrative Problems of State Enterprises in India" will be held under the auspices of the Institute at New Delhi on December 20-21. It will be attended by representatives of public enterprises, both central and state, the Central and State Governments, the private sector and universities. There will be four sessions and discussions will generally concentrate on (1) problems of top management, (2) internal administrative structures, and (3) external controls.

### *Lectures*

The following lectures were delivered under the auspices of the Institute during August-November:

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| August 12    | Shri H.M. Patel, I.C.S.,<br>Principal Secretary,<br>Ministry of Finance,<br>Government of India.       | "Expanding Government" (first lecture in the series "Contemporary Problems of Expanding Government"). |
| September 13 | Dr. Carlos P. Ramos,<br>Director,<br>Institute of Public Administration,<br>University of Philippines. | "The Movement for Administrative Reform in the Philippines."  |

October 14	Prof. Bert F. Hoselitz, Professor of Social Sciences, University of Chicago.	"Levels of Centralisation in Economic Develop- ment."
November 1	Dr. Frank P. Sherwood, Associate Professor of Public Administration and Director of Planning Programme, University of South California.	"The Teaching of Public Administration in the U.S.A."
November 4, 5, 6	Shri S.S. Khera, I.C.S., Secretary, Departments of Mines & Fuel, Government of India.	"District Administration in India."
November 12	Mr. Harlan Cleveland, Dean, Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University.	"Executive Leadership."
November 18	Prof. Archie T. Dotson, Associate Professor of Govern- ment, Cornell University.	"Administrative Pro- blems of Metropolitan- ism."

### *Distinguished Visitors*

The following distinguished visitors were received in the Institute during July-November:

*Prof. Phillips Bradley*, Professor in Political Science, Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University, U.S.A.

*Mr. Lam-Le-Trinh*, Assistant Secretary for administration, Department of Interior, Vietnam.

*Mr. Nguyen-Thanh-Cung*, Secretary General of the Presidency, Vietnam.

*Mr. Doan-Them*, Executive Staff Director for the Secretary of State for the Presidency, Vietnam.

*Mr. Chau Ngoc Thoi*, Director-General of Public Affairs, Vietnam.

### *Library*

Under the U.S.-India Wheat Loan Educational Exchange Programme, the Institute is to receive a gift of books on public administration up to a total value of \$ 5,000. Most of the books have already arrived and the remaining few are expected shortly. The list of books to be included in the gift was prepared by the Institute and they will constitute a valuable addition to the Institute's Library.

### *Regional and Local Branches*

A Local Branch of the Institute was set up at Trivandrum on September 18, with *Shri N.E.S Raghavachari*, I.C.S., Chief Secretary, Kerala Government,

as its Chairman and *Shri P.M. Mathew*, I.A.S., as Secretary. The Director was present on the occasion and explained the objects and plans of the Institute as well as the nature of the work which a Local Branch may undertake.

The number of members of the Institute at Bangalore having increased from 11 to 62, the Local Branch of the Institute at Bangalore has been converted into a full-fledged Regional Branch. *Shri P.V.R. Rao*, I.C.S., Chief Secretary to Mysore Government, is the Chairman, and *Shri N.S. Ramachandra*, I.A.S., Secretary.

#### *Membership*

On the 30th November, 1957, the ordinary membership of the Institute stood at 954, life membership at 21 and corporate membership at 53.

#### *The Building Programme*

The work for the construction of the Institute's buildings at the National Highway (Indra Prastha Estate) is in progress. The buildings are expected to be ready for occupation by the third quarter of 1958.

#### *International Review of Administrative Sciences*

The Director, Prof. V.K.N. Menon, has been appointed a member of the Editorial Board of the International Review of Administrative Sciences.

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## DIGEST OF REPORTS

**U.K. REPORT OF THE COMMITTEE ON ADMINISTRATIVE TRIBUNALS AND ENQUIRIES.** *London, H.M.S.O., 1957. vi, 115 p. Cmd. 218. 5s.*

The Committee was set up on 1st November, 1955, under the chairmanship of Sir Oliver Franks, G.C.M.G., K.C.B., C.B.E., with the following terms of reference:—

“To consider and make recommendations on:—

- (a) The constitution and working of tribunals other than the ordinary courts of law, constituted under any Act of Parliament by a Minister of the Crown or for the purposes of a Minister's functions.
- (b) The working of such administrative procedure as include the holding of an enquiry or hearing by or on behalf of a Minister on an appeal or as the result of objections or representations, and in particular the procedure for the compulsory purchase of land”.

### (A) Background to the Enquiry

The present report is the second on the subject that has been issued during the past twenty-five years. The first formed the second part of the Report of the Committee on Ministers' Powers (generally known as the Donoughmore Committee after the name of its chairman), which was published in 1932 (Cmd. 4060). At that period, there already existed a number of tribunals (almost entirely in the field of unemployment insurance and contributory and war pensions), and local authorities already possessed powers to acquire or to restrict the use of private land. During the intervening years, tribunals have considerably increased in number, their jurisdiction has extended over a wider range of subjects, and they have more extensive powers, which they use more frequently than before. The importance of the present enquiry rests upon the increasingly widespread impact on the individual of the effects of administrative law.

In the United Kingdom, there is no such hard and fast distinction between private and public law. Ordinary members of the public may dispute decisions taken by the administration under powers granted by legislation, but there is no uniform method of resolving these disputes. Some are heard in the courts of law according to established procedure; some are settled by specially constituted tribunals, outside the common law courts, which have been armed with particular powers to decide disputes; some are resolved by Ministers after public enquiries carried out by qualified inspectors either belonging to or appointed by the Departments concerned; over much of the field of public administration, there is no formal procedure for objecting or deciding on objections, although ‘the aggrieved individual

can always complain to the appropriate administrative authority, to his Member of Parliament, to a representative organisation or to the Press'.

The present Committee was not required to concern itself with cases for which no formal procedure is provided; nor was it instructed to consider decisions made in the ordinary law courts, except where appeals to those courts from decisions of tribunals or of Ministers were in question. The scope of its study was confined by its terms of reference to decisions enforced by special tribunals (including those few, *e.g.*, the Rent Tribunals, which determine disputes not between the individual and authority but between citizen and citizen), or, after public enquiry or hearing, by Ministers of the Crown.

## **(B) Recommendations and Findings**

The Report of the Committee was presented to the Parliament in July 1957; and its main findings and recommendations are summarised below:—

### **(I) *The Basic Recommendations***

(1) Tribunals today vary widely in constitution, functions and procedure. Reflection on the general social and economic changes of recent decades convinces the Committee that tribunals as a system for adjudication have come to stay. The tendency for issues arising from legislative schemes to be referred to special tribunals is likely to grow rather than to diminish.

(2) It is of the first importance that tribunals should be regarded as 'machinery provided by Parliament for adjudication', and not as appendages of Government Departments. 'The intention of Parliament to provide for the independence of tribunals is clear and unmistakable'. The administration should not use these methods of adjudication as convenient alternatives to the courts of law. In deciding by whom adjudications involving the administration and the individual citizen should be carried out preference should, as a matter of principle, be given to the ordinary courts of law rather than to a tribunal unless there are demonstrably special reasons which make a tribunal more appropriate, namely, the need for cheapness, accessibility, freedom from technicality, expedition and expert knowledge of a particular subject.

(3) The Committee draws distinction between a tribunal, the members of which 'are neutral and impartial in relation to the policy of the Minister, except in so far as the policy is contained in the rules which the tribunal has been set up to apply', and a Minister, who is 'committed to a policy which he has been charged by Parliament to carry out.....and in this sense is not and cannot be impartial'. The Committee, therefore, recommends that preference should be given to a tribunal rather than to a Minister, and this requires that every effort should be made to express policy in the form of regulations capable of being administered by an independent tribunal. This may not always be possible and that in these cases the adjudication must be made by a Minister.

(4) Where, in the light of the above considerations, it is justifiable to establish a tribunal or to entrust adjudicating functions to a Minister, the ultimate control in regard to matters of law should be exercised by the traditional courts.

(5) Parliament in deciding that certain decisions should be reached only after a special procedure must have intended that they should manifest three basic characteristics: openness, fairness and impartiality. The choice of a tribunal rather than a Minister as the deciding authority is itself a considerable step towards the realisation of these objectives, particularly the third.

(6) In the field of tribunals openness appears to require the publicity of proceedings and knowledge of the essential reasoning underlying the decisions; fairness to require the adoption of a clear procedure which enables parties to know their rights, to present their case fully and to know the case which they have to meet; and impartiality to require the freedom of tribunals from the influence, real or apparent, of Departments concerned with the subject-matter of their decisions.

(7) For above reasons, as well as because of the problems of functions, procedure and constitution to which the great variety of the tribunals gives rise, the Committee recommends that two Standing Councils on Tribunals (one for England and Wales and one for Scotland) should be set up to keep the constitution and working of tribunals under continuous review. The Council for England and Wales should be appointed by and report to the Lord Chancellor, who should be responsible for the statutory action to give effect to its recommendations. The Secretary of State for Scotland should stand in the same relationship to the Scottish Council. The main function of the two Councils should be to suggest how the general principles of constitution, organisation and procedure enunciated in the Report should be applied in detail to the various tribunals. In discharging this function they should first decide the application of these principles to all existing tribunals; thereafter they should keep tribunals under review and advise on the constitution, organisation and procedure of any proposed new type of tribunal. Any proposal to establish a new tribunal should be referred to the Councils for their advice before steps are taken to establish the tribunal. The Councils should have power to take evidence from witnesses both inside and outside the public service, and their reports should be published. All their functions should be statutory. The Councils should comprise of nine or ten, both lay and legally qualified, members with a lay majority. The chairmen should be persons who have attained distinction in public life, but they need be lawyers. Some members of the Councils should have experience of agriculture and industry. It is also desirable that the experience of voluntary organisations in the social service field and that of senior retired members of the public service should be available to the Councils. It would be valuable if a place were found amongst the legal members for an academic authority on administrative law or administration.

(8) The Committee is not satisfied that a sufficient case has been made out for the establishment of a separate administrative court to hear appeals from tribunals or ministerial adjudications. A general appeal tribunal would be a comparatively inexpert body and would involve a departure from the principle whereby all adjudicating bodies in the country, whether designated as inferior courts or as tribunals, are in matters of jurisdiction subject to the unifying control of the superior courts. It would further dichotomize the present unitary system of law. The Committee also does not support the proposals for the creation of an administrative division of the High Court on the ground that appeals would then lie from expert

tribunals to an inept general appellate body. It recommends that, in general, the appropriate appeal structure is a general appeal from a tribunal of first instance to an appellate tribunal, followed by an appeal to the courts on points of law.

## *(II) Constitution of Tribunals*

(1) In order to ensure the independence of the personnel of tribunals from the Departments concerned with the subject-matter of their decisions, the Committee recommends that all chairmen of tribunals should be appointed by the Lord Chancellor (or alternatively, in Scotland by Lord President of the Court of Session or the Lord Advocate), who should also be responsible for the removal of chairmen and members. Where tribunal appointments are at present made by the Crown, it is proposed that formal submission in respect of them be made by the Lord Chancellor.

(2) The Committee attaches great importance to the quality of the chairmen of tribunals, and considers that objectivity of treatment and the proper sifting of facts are most often secured by having a legally qualified chairman, although it recognises that suitable chairmen can be drawn from fields other than the law. It recommends, therefore, that all chairmen exercising appellate functions should have legal qualifications, and that chairmen of tribunals of the first instance should ordinarily have legal qualifications, although persons without such qualifications should not be passed over automatically, if they are particularly suitable.

(3) The Committee rejects the idea that, in general, tribunal service should become whole-time or salaried, since it believes that 'public-spirited individuals will continue to serve without remuneration on many tribunals'. On the other hand, it considers that there are certain important positions which should be salaried, and in such cases the scale of remuneration should be adequate to attract the right people. It also recommends that the present arrangements for providing clerks of tribunals should continue. The duties of a clerk should be confined to secretarial work, the taking of notes of evidence, and advice on the tribunal's functions. Unless sent for to advise he should be debarred from retiring with the tribunal.

## *(III) Tribunal Procedures*

(1) The Committee does not recommend uniformity of procedure at tribunals because of the great variety of purpose for which they are established. There is a case for greater procedural differentiation. The detailed procedure for each tribunal should be designed to meet its particular circumstances, and should be formulated by the appropriate Council on Tribunals on the principles of 'openness, fairness, and impartiality'. In general, the aim should be to combine orderly procedure with informality. The attempt which has so far been made to secure informality in the general run of tribunals has in some instances been at the expense of an orderly procedure. Informality without rules of procedure may be positively inimical to right adjudication, since the proceedings may well assume an unordered character which makes it difficult, if not impossible, for the tribunal properly to sift the facts and weigh the evidence.

(2) It is of the greatest importance, first, that a citizen should be aware of his right to apply to a tribunal, and second, that he should fully

understand the nature of the case in which he is involved. To this end, the Committee recommends that anyone appearing at a tribunal should receive 'in good time beforehand' a document setting out the main points of the opposing case. The Committee also recommends that all hearings before tribunals should be held in public, except where considerations of public security or of professional capacity or reputation are involved or when intimate personal or financial details might have to be disclosed. To assist those who would otherwise be unable to pay for legal assistance, the official scheme of legal aid should be extended immediately to tribunals which are formal and expensive and to final appellate tribunals; and to other tribunals when the scheme is extended to cover a wider range of proceedings than at present in ordinary courts of law.

(3) Further safeguards suggested by the Committee are: the extension to witnesses before tribunals of the same protection against damages in respect of anything they may say in evidence as is already enjoyed by witnesses in a court of law; the granting of powers to tribunals to administer the oath and subpoena witnesses at their discretion; the removal of the restriction (where it exists) on the right of the parties to a dispute to question their own or their opponents' witnesses directly, and not only through the chairman.

(4) The right to legal representation before tribunals should be curtailed only in the most exceptional circumstances, where it is clear that the interests of applicants generally would be better served by a restriction. Government Departments should not be permitted legal representation before a tribunal unless the citizen for his part employs a lawyer.

(5) The Committee holds the view that decisions of tribunals should be reasoned and as full as possible. 'If the tribunal proceedings are to be fair to the citizen, reasons (for decisions) should be given to the fullest practicable extent'. As soon as possible after the hearing, the tribunal should send a written notice of decision to both parties to the dispute, which should include not only the decision itself, but also a statement of the findings of fact by the tribunal, the reasons for the decision, and the rights of appeal against the decision. Final appellate tribunals should publish selected decisions and circulate them to lower tribunals.

(6) As a matter of general principle, the Committee recommends, appeals should not lie to the Minister concerned. Except where a tribunal of the first instance is exceptionally well-qualified, there should always be an appeal to an appellate tribunal on fact, law and merits; and that an appeal on a point of law should lie to the courts from all tribunal decisions, except from decisions of the National Insurance Commissioner, the Industrial Injuries Commissioner and the National Assistance Appeal Tribunals. No statute should contain words purporting to oust the remedies by way of *certiorari*, prohibition and *mandamus*.

(7) Present arrangements for the award of costs and payment of expenses of parties should be reviewed by the Council on Tribunals. The general principles should be that: (i) a successful applicant should be given a reasonable allowance in respect of his expenses, including in some cases an allowance for the cost of legal representation; (ii) an unsuccessful applicant should never have to pay any costs but before the 'social-service' and most other tribunals should be entitled to the same reasonable allowance as the successful applicant. In disputes between private parties, however, the



parties should bear their own expenses and costs, except at the appellate level or where a party has acted frivolously or vexatiously, when the tribunal should have power to order the unsuccessful party to pay a sum towards the other's costs and expenses.

#### (IV) *Administrative Procedures involving an Enquiry or Hearing*

(The procedures studied under this heading, by the Committee relate mainly to land, since these are, in fact, the most important and the most frequently used. It states, however, that the conclusions reached in relation to 'land procedures' should be applied to other procedures falling within the second part of its terms of reference.

In general, administrative enquiries are held before a ministerial decision is finally taken to allow objections to a proposed policy to be heard, or after an objection has been lodged against a decision made by a local or other authority or by a Government Department. The enquiries are held either by departmental inspectors, as in the case of the Ministry of Housing and Local Government, or by independent inspectors appointed by the Department concerned. The enquiries may be held either in public or in private; and the findings of the presiding inspectors, as a rule, embodied in a confidential report.)

(1) The Committee recommends that, before an administrative enquiry, the deciding Minister should make available a statement of the policy relevant to the particular case (but should be free to direct that the statement be partly or wholly excluded from discussion at the enquiry), and that the authority responsible for the decision to which objections are being raised should make available, in good time before the enquiry, a written statement giving full particulars of its case. The object in making the recommendation is to give the individual an opportunity at the enquiry of directing his arguments not only to the case of his immediate opponents but also to the other considerations which are likely to weigh with the deciding Minister.

(2) The main body of inspectors in England and Wales should be placed under the control of the Lord Chancellor, in order that the inspector conducting an enquiry should be independent of the Minister making the final decision; but the inspectors may be kept in contact with policy developments in the Departments responsible for enquiries. The preference of certain Departments for independent inspectors appointed *ad hoc* need not be disturbed. If a corps of inspectors is established for Scotland (at present, lawyers are usually appointed by the Scottish Departments to conduct enquiries) the Lord Advocate should assume responsibility for it. Lord Silkin, a member of the Committee, however, has recorded a note of dissent to the effect that the corps of departmental inspectors should be appointed and retained under the Ministry of Housing and Local Government, as at present.

(3) A code or codes for procedures at enquiries should be formulated by the Councils on Tribunals and made statutory. The main object should be to keep the procedure reasonably simple and inexpensive but with sufficient orderliness in the proceedings to ensure that the enquiry plays its proper part in the total process.

(4) The proceedings should generally be opened by the initiating authority (whether a Minister or local or other authority), which should be prepared to explain its proposals fully and support them by oral evidence. The presiding inspector should have power to administer the oath and subpoena witnesses. He should have a wide discretion in controlling the proceedings and should give rulings on the scope of the proposed ministerial policy statements.

(5) Officials of the Departments of the deciding Minister should be required to give evidence if the enquiry is unto a proposal initiated by that Minister. Officials of other Departments should, if required, give factual evidence in support of the views of their Departments if these views are referred to by a public authority in its explanatory written statement or in its evidence at the enquiry.

(6) The report of the inspector after the enquiry should contain (i) a summary of evidence, findings of fact and inferences of fact; and (ii) reasoning from facts, including application of policy, and (normally) recommendations. The Committee feels that the right course is to publish the inspectors' reports; for publicity is in itself an effective check against arbitrary action. Complete publicity at all stages is impossible but it should be insisted upon wherever possible. Accordingly the complete text of the inspector's report should accompany the Minister's letter of decision, and should be available on request both centrally and locally. Additionally, if any of the following parties desires an opportunity to propose corrections of fact, the first part of the report should, as soon as possible after the enquiry, be sent to: (i) the promoting authority (or local planning authority) and any other authority which gave evidence; and (ii) all persons who lodged written objections (in planning appeals, the applicants). Recipients should be allowed 14 days in which to propose corrections. The inspector should decide whether to accept any proposed correction.

Lord Silkin, however, in his note of dissent, observes that the reports of inspectors should remain confidential and should not be published.

(7) The Committee recommends that any factual evidence having a bearing upon the dispute which the Minister may obtain after the enquiry should be submitted to both parties for their observation before the final decision is taken. The final letter of decision should set out in full the Minister's findings and the reasons for the decision.

#### (V) *Particular Tribunals*

(1) The particular classes of tribunals studied by the Committee are those relating to:

- (a) *land and property, e.g., County Agricultural Executive Committees, the Agricultural Land Tribunal, Local Valuation Courts, the Lands Tribunal and Rent Tribunals;*
- (b) *national insurance, national assistance and family allowances, e.g., National Insurance Local Tribunals, Industrial Injuries Local Tribunals, the National Insurance Commissioner, the Industrial Injuries Commissioner, National Assistance Appeal Tribunals and Family Allowance Referees;*

- (c) *the national health service, e.g.,* the Service Committees of the Executive Councils and the National Health Service Tribunal;
- (d) *military service, e.g.,* Military Service (Hardship) Committees, Reinstatement Committees, the Umpire, Conscientious Objectors Local and Appellate Tribunals, and Pension Appeal Tribunals; and
- (e) *transport, e.g.,* Licensing Authorities for Public Service Vehicles and Goods Vehicles, and the Transport Tribunal.

(2) All the above tribunals and certain miscellaneous tribunals (the General and Special Commissioners of Income Tax, Compensation Appeal Tribunals and Independent Schools Tribunals) examined by the Committee are (i) statutory, and (ii) either appointed by Minister of the Crown or appointed for the purpose of a Minister's functions. The Committee has not concerned itself with the domestic disciplinary bodies for solicitors and medical practitioners (the British Medical Council and the Law Society), since these, although statutory, are not appointed by a Minister or for the purpose of a Minister's function. Other tribunals excluded from consideration were : disciplinary committees under the Agricultural Marketing Acts, constituted by the agricultural marketing boards themselves for the purposes of assisting in the operation of the schemes; tribunals which do not make decisions, *e.g.,* the Monopolies Commission; tribunals which enquire into transport accidents; and tribunals in the industrial field.

(3) The general recommendations of the Committee as set out in the White Paper apply to all classes of tribunals studied. The Committee has also made specific recommendations for each particular class of tribunals.

(4) The Committee considers that there is not much scope at present for amalgamation of tribunals. It recommends that whenever it is proposed to establish a new tribunal consideration should first be given to the possibility of vesting the jurisdiction in an existing tribunal.

**PLANNING COMMISSION. PROGRAMME EVALUATION ORGANISATION.** *Evaluation Report on the Working of Community Projects and N.E.S. Blocks, Vol. I and II, April 1957. iv. and 91 p.*

## I. Introduction

(1) This is the fourth report of the Programme Evaluation Organisation of the Planning Commission on the working of C.P. and N.E.S. blocks for the year 1956. The Report is divided into two volumes and each volume into two parts. Part I of Volume I contains a general assessment of the Community Development programme, review of the problems it raises and some suggestions for dealing with the same. Part II includes a more detailed statement of some aspects of the Community Development programme and also a chapter on the results of the coverage enquiry. Volume II gives, in its first part, a fuller account of the results of the coverage study with supporting statistical tables; and in its second part, a selected number of reports by evaluation officers on social and economic changes in their respective areas.

(2) The year 1956 saw the completion of the first series of the Community Projects started in 1952-53 and their transformation into what are called 'post-intensive' blocks. After a period of intensive development of 3½

to 4 years, these areas are being normalised and placed on the P.I.P. (*i.e.* post-intensive phase) pattern, which is expected to continue indefinitely in the future. The report takes stock of the position at this stage, and attempts an assessment of achievement, both in physical terms and in terms of behaviours and attitudes, of these completed community projects.

This assessment has been based not so much on the general evaluation reports furnished by the P.E.O.s, but more specifically on two special studies initiated for the purpose by the Organisation. The first of these studies, involving a quick survey of a large sample of villages (15 to 20 per cent) in the project areas, was designed to observe the physical accomplishments of the programme in these villages and to determine their current status. The second study was based on a much smaller number of villages (3 in each project area) but involved intensive and qualitative observations designed to throw light on some aspects of the social and economic change resulting from the implementation of the C.D. programme. In addition, use has also been made of special reports prepared by P.E.O.s on specific aspects of the programme as co-operative societies, cottage industries, social education, and loans programmes.

It may be mentioned here that the present three-tier-pattern does not apply to the original community development blocks; in their case it is only a two-tier pattern, *viz.*, first the C.D. block, and then the P.I.P. block. It is only in the case of the others that the three-tier-pattern applies, *viz.* first the N.E.S. block, second the Community Development block, and third the post-intensive phase. The staffing pattern in regard to all these three is more or less the same, especially in regard to V.L.W.s and the general block level staff, some difference being found in the subject-matter-specialist staff. The major difference lies in their budgets, especially the provision that is made for construction and irrigation works, grants for social activities, and provision for loans. The C.D. Pattern with a budget of Rs. 12 lakhs for 3 years is best off in this respect, the N.E.S. pattern with Rs. 4 lakhs for 3 years is less well off, and the P.I.P. pattern with a budget of only a little more over Rs. 2 lakhs, and no provision for loans, is the worst off.

## **II. General Assessment and Review of the Achievements of Community Projects**

- (i) In terms of programme, the Coverage Enquiry related to 41 items, dealing with different aspects of rural social and economic activity. Almost all villages have been covered by one or more items in the programme. An analysis of the figures by individual items in the programme shows a considerable degree of variation in achievement.
- (ii) The most successful item in terms of coverage is that of improved agricultural practices, no less than 95 per cent of the sample villages having been covered by one or other of the items of improved agricultural practices (with sample villages in 11 project areas having a coverage of 100 per cent).
- (iii) Items involving change in organisational attitudes in the economic field, such as better understanding of the objectives and obligations of co-operation and readiness to make use of co-operative societies for purposes other than credit, are comparatively unsuccessful. The objective of mobilising public participation

and positive public support has been comparatively successful in the case of constructional programmes, but not in the case of institutional programmes.

- (iv) Items involving change in organisational attitudes in the political field, e.g., better understanding of the objectives and responsibilities of panchayat membership and readiness to use panchayats for planning and executing village development programmes, are comparatively unsuccessful.
- (v) While there has been considerable increase in rural consciousness of economic, and to a smaller extent, of social needs, the objective of stimulating continuing and positive effort based on self-help for promoting economic or social development has been comparatively unsuccessful and there is still too much dependence on government initiative and assistance.
- (vi) While a feeling has grown that the government is there not merely to rule but also to help in developing, there has not developed an equally strong sentiment of self-reliance and initiative, whether individual or co-operative. Unless, therefore, the government deploys more resources in rural areas, and the people, in turn, show greater initiative and self-help, a situation is developing which is bound to create serious difficulties in rural India.
- (vii) There is wide disparity in the distribution of the achievement and therefore also of the benefits of community development programmes between different blocks in the project areas; within the blocks, between the headquarter villages of Grama Sevaks, the villages easily accessible to them, and the village not so easily accessible; within the villages, between the cultivators and the non-cultivators; and within the cultivating classes, between the cultivators of bigger holdings and larger financial resources and those of smaller holdings and lesser financial resources. This is a matter of serious concern not only in term of regional and social justice but also in terms of the political consequences that may ensue in the context of the increasing awakening among the people.

### III. Transition to the Post-Intensive Phase (P.I.P.)

- (i) The fourth year, of the Community Projects of 1952-53 series *i.e.*, the period between April 1955 to September 1956, saw an intensification of activity in regard to expenditure. The expenditure during these 18 months was practically the same as that in the preceding 30 months. This spurt in expenditure was directed towards exhausting—before the end of the project period—the balances which had accumulated during the third year due to the initial difficulties of making a start. A large number of works were, therefore, sanctioned and either got completed or remained under construction by the end of the project-period. The year immediately preceding the transformation into the P.I.P. (with a much smaller budget) thus proved to be a period when construction dominated the thinking and activity of the project staff, including the Grama Sevaks, and the extension failed to emerge from the backseat to which it had been relegated even earlier.

- (ii) The transition to the P.I.P. was sharp and sudden. Under the new staff pattern the Project Officer disappeared and the A.P.O.s were replaced by B.D.O.s and additional B.D.O.s were appointed in cases where the project area was divided into more than three blocks. The high-powered technical staff formerly attached to the project either disappeared or reverted to their parent departments, the blocks now being expected to get technical guidance from their counterparts at the district level. The number of Grama Sevaks was halved and their individual charges doubled. The amount placed at the disposal of the block staff was also reduced considerably and there was little provision for loans. The block staff, most of whom had functioned with large funds under the old projects, now found themselves filled with a sense of frustration and many of them did not quite know how to spend their time. Inactivity, or what largely appeared to be so, succeeded the intensive activity of the last days of the project period, and it sharply focussed attention on what the P.E.O. reports had always been laying stress, viz., the role of the extension in C.D. and NES work.

#### IV. Problems of the Post-Intensive Phase

##### (a) *General Problems*

- (i) The non-availability of medium term loan funds in the post-intensive phase operates to the disadvantage of the P.I.P. blocks. In many of the community projects, these loan facilities were availed of by the cultivators for works of agricultural improvement, and they had become accustomed to this facility. There is now a very real and substantial fall in the volume of funds at the disposal of the block staff for direct administration on development purposes in their areas. If, therefore, there is not to be an abrupt set-back to development effort in these areas, it is necessary to make some provision for medium term loans in the P.I.P. budget.
- (ii) The transition from the community project to the P.I.P. pattern has created a number of important problems of maintenance of facilities and satisfaction of demands. These need to be taken care of urgently if we are to activate both the project staff and the population of the project blocks which are now passing into the 'post-intensive' phase. Only then can economic and social development of a self-sustaining character be made possible for these areas.
- (iii) In most projects, arrangements in case of facilities like hospitals, which are to be maintained by the State departments or district local boards, have been finalised. But in several cases, all the problems connected with the change have not yet been resolved. The problem of maintenance, especially of village facilities, is a factor that should be borne in mind at the very outset of the programme. What is most essential for securing this is the association of the organised or collective will of the community with the planning of the programmes and also, to the extent possible, with the actual implementation of the

same. But this is for the future. The current problem is that of maintenance of village facilities in the transitional period. The project staff should have some responsibility in this matter and it is also necessary that a small financial provision is made for the purpose in the schematic budget of the post-intensive blocks.

- (iv) Then there is the problem of satisfying the demands created by the very facilities that were provided for the people during the project period. A special attention should be paid to the removal of the wide disparity that exists between the head-quarter village of Grama Sevaks and other villages in the project areas. All this requires some rethinking of programmes for the post-intensive phase and a relaxation of the rule requiring a greater measure of public contribution for the implementation of construction works.
- (v) It is also important to take due note of the special requirements of the P.I.P. blocks in the distribution of the large volume of non-project expenditure on rural development provided under the Second Five Year Plan. The national extension service staff should be used as an important agency for the planning and implementing of such non-project expenditure.

(b) *The Role of the Grama Sevak*

- (i) Hitherto the project staff had at their disposal ample funds for both construction and irrigational work and the Grama Sevak was able not only to disburse funds for satisfying the felt needs of the people but also secure for them the supplies and credit without which they would not have been able to effect any improvement in their material conditions. It is this activity of his—and one that did not really fit in with the strictly orthodox view of the Grama Sevak's role—that broke down the barrier between Government and the people. Any abrupt termination of this part of the Grama Sevak's activities would not be desirable even in the interests of his efficient functioning as an extension worker.
- (ii) It is vitally important that the transition in the role of the Grama Sevak from the C.D. to the P.I.P. pattern should take place by gradual stages and alongside the filling up of the economic and physical gaps in the country side. The implications of this proposition should be considered in all its bearings before undertaking a wholesale programme of conversion of C.D. into P.I.P. blocks and adhering to the present pattern of the P.I.P. both in terms of its functions and its budget provisions.
- (iii) If the objective set down by the Planning Commission, viz., that the Grama Sevak should establish contact with every individual family in his area and help to plan its production programme, is to be fulfilled, there must be a substantial reduction in the area and population allotted to him for this purpose.

*(c) Staffing Arrangements*

- (i) The primary function of the administrative head of the district should be recognized as development and he should be given special assistants for dealing with law and order and revenue functions rather than the other way about.
- (ii) A necessary requisite to the effectiveness of extension work in India is the expansion and strengthening of the institutions dealing with supplies and credit, accompanied by a strengthening and expansion of government agencies which supply research, technical, and social services. A Grama Sevak, for instance, can be far more effective as an extension worker if he can turn to a well-equipped and well-staffed hospital or agricultural research station at the block or district levels for guidance and supplies, than if he has to depend upon his block and district level technical officers who, in turn, have to depend upon still more distant sources.
- (iii) In spite of the fact that the movement has now been in existence for more than four years, there is not sufficient understanding of the objectives and techniques of community development programme among the specialist-staff. The problem of training of block staff and orientation of the specialist-staff, should therefore be reviewed, and the technical staff and research facilities, both at the State and district levels, should be reinforced.

*(d) Co-ordination*

- (i) The problem of co-ordination of the horizontal responsibilities of the area-specialist with the vertical responsibilities of the subject-specialist still continues to defy solution. Co-ordination at the block level is now becoming more a by-product of co-ordination at the district level, with the District Collector, directly or assisted by a District Development Officer, exercising more co-ordination over the technical heads of development departments in the district and more control over the development work of the project-staff. The district officer is thus tending to become the king-pin of the development programme and the general administration is beginning to wear the new look associated with the Welfare State that India is now becoming.
- (ii) A basic principle which should be clearly recognised by all concerned is that the Community Project Officers and Block Industrial Officers are primarily a part of the extension movement, that they are subject-specialists, and that they are to be properly linked with the District Officer and the B.D.O. who are the area-specialists for rural development.
- (iii) All the administrative implications of this transformation in relationship have, however, not been realised either at the district level or at the State level. The whole problem of administrative co-ordination and orientation needs rethinking, now that development is the major activity of government and



the C.D., N.E.S., and P.I.P. programmes are expected to cover the entire country within the next four years.

- (iv) Orientation in the objectives and techniques of community development should be provided to officers at the highest level, both the generalists and the specialists, who are dealing with development. Unless the whole administrative machinery of government gets permeated with the philosophy of community development, problems of *co-ordination* will continue to hamper the programme in spite of any changes that may be made in the administrative set-up for dealing with this problem.

## V. Conclusions

1. Advance on the rural front cannot be made merely by the institution of an extension agency; it needs to be supplemented by adequate effort on the side of skills, supplies and credit. If this view is accepted it follows that there should be some review of the content of the programmes of both the N.E.S. and the P.I.P. blocks, more especially the latter. This review should be in the direction of making more provision for works and some provision for loan finance in the programme. More important than this is the need for integrating project expenditure with the non-project expenditure on rural development.

2. The N.E.S. should eventually be treated as the permanent and normal development arm of State Governments in the rural area rather than as some special and temporary agency. There should also be more emphasis on the supply to technical skills of sufficient competence to guide the block staff in the planning and implementation of their block programmes; with it is also linked the setting up of research facilities near the field and closely linked with field experience.

3. As regards techniques, far more emphasis should be placed on preparing the people in each N.E.S. block for the planning and operation of development programmes; and in the case of the conversion from the C.D. into P.I.P. blocks, on preparing the project staff for the change in their role and resources. This means a more deliberate and greater use of the panchayat and the co-operatives than in the past. Greater attention will have to be paid to 'community and group organisation' in the training of Grama Sevaks and more orientation given to the superior development staff at district and state levels in the philosophy of community development.

4. Greater attention to pre-planning and longer periods of training will be needed. Financial provision as well as physical availabilities also need to be increased, if the country is to be successfully covered with one or the other types of blocks during the period of the second five year plan.

## BOOK REVIEWS

**SERVICE AND PROCEDURE IN BUREAUCRACY :** By ROY G. FRANCIS and ROBERT C. STONE. *Minneapolis, the University of Minnesota Press, 1956. vi, 201p. \$4.00.*

It is commonly believed that organized services tend to care for conformity to rules more than for satisfactory service, and that they tend to ignore personal relationships among those who administer the service, as well as between them on the one hand and their clients on the other. These traits are said to be inherent in all organizations operating by prescribed procedures and through paid cadres. They are expected to be prevalent in an almost undiluted form in all governmental departments. Two researchers at Minnesota University have now attempted, by means of a case study, to find out the extent and the manner in which these two traits—conformity to procedure and impersonality of relationships—actually operate.

The particular organization selected for study was the Louisiana Division of Employment Security, which has the twin functions of disbursing unemployment assistance and of finding employment. The researchers, in their search for the actual reality of the administrative situation, observed employees working at their jobs, conducted interviews, administered questionnaires, and studied the official documents and records of the organization. The theme and the methodology of survey are fully described and a number of useful appendices supply to the serious student quite a fare of interesting sidelights on techniques and findings. As a pattern of careful case work this publication deserves serious study, especially in India, where efforts are now being made to prepare material for training in problems of administration.

In an attempt to reassess the concept of bureaucracy the researchers arrive at a statement which at first glance may appear to be without much significance. They describe their finding on the issue of procedure versus service, and of impersonal versus personal relationships, as 'an emphasis on service coupled with an emphasis on procedure', and 'impersonality coupled with personal relations'. But no one has ever suggested that the most hardboiled bureaucrat would in all cases ignore either the service which is the purpose of his existence, or the personal aspects of his relationship with other human beings. A finding, which merely states that both co-exist in a bureaucracy is really, by itself, not very enlightening. In fact, as was obvious from the start, any "ideal" concept of bureaucracy as completely devoid of service and human elements is a "straw man" set up for the easy exercise of being demolished by the not very unexpected finding that there is no such thing as pure bureaucracy, that to varying degrees service goals and personal relationships enter into all organizations. To set up an ideal type which is too exaggerated to be true and then to discover it to be 'frictional' is in itself of little scientific value. But the process of creating a hypothesis and then testing it for verification indicates the limits within which the original thesis may be held to be valid.

The study of the operations of the Employment Security Division of Louisiana revealed that the interviewers, who were the bottom officers

to come into contact with the clients, had a "work ethic"; they filled the forms and at the same time heard the clients' story as a whole; if they concluded that the clients were entitled to a service, they tended to interpret procedures suitably. In other words, the finding is that procedures are demonstrably suited to service at least at the lowest official level, and as personal a view of a client's situation as is consistent with public policy is taken. In the opinion of these lower officers themselves, there was greater rigidity being enforced in regard to operations within the department, e.g., maintenance of forms, etc.

This experience suggests two important factors which go to determine the answer to the problem, and which the researchers legitimately take into consideration. One is the nature of contact; and the other, the character of service. For instance, a public service which helps the farmer in his programmes of soil conservation is likely to be even less impersonal and less rigid than the Employment Division. In a rural setting organizing a programme which is of joint concern to all, including the nation as a whole, a feeling of active partnership may grow between the administrative agency and the individual farmers. Here the procedural element would be reduced to a minimum and service element may be maximised. But even in an armed service like the Navy, it has been found that considerable store is laid by personal relations without violating essential procedural requirements.

All the same it is clear that a useful distinction may be drawn among public services and other organizations on one basis. Centralisation of authority, standardization of procedure and dealing in terms of offices than of men are characteristic of a bureaucracy. Concentration on high technical skills, decentralisation of decision-making and recognition of each individual as a significant unit are characteristics of a professional organisation. No organisation is fully bureaucratic or non-bureaucratic. If, however, it is intended that the undesirable traits of bureaucracy should be minimised, jobs in the service have to be made as skilled as possible, responsibility of decision-making has to be decentralised to the greatest extent, and the individuality of each officer has to be recognized. Progress of administrative reform must be towards making service organizations less and less bureaucratic and more and more professional.

Apart from the right approach, such a development would to a large extent depend on the functions which the organization is called upon to perform. For instance, here in India, so long as the functions to be performed were mainly maintenance of peace and order and collection of taxes, a pattern of organisation more exclusively bureaucratic than most others was evolved. Latterly as both these functions are falling into their proper perspective by the side of developmental and welfare functions, the administrative organizations are taking on a more obviously professional look. This is happening by the creation of new administrative services which are less bureaucratic and by making the bureaucratic services themselves more and more professional. In this process of transition lessons of a study like the present are most valuable. The greatest possible store deserves to be laid by high individual skills, by decentralising decisions and by building up colleague-relations within the service, and a "work ethic" as regards relations with the public.

**PARLIAMENT IN INDIA;** *By W. H. MORRIS-JONES.* London, New York, Toronto, Longmans, Green & Co. 1957. xii, 417p. Rs. 25.

Morris-Jones, Professor of Political Theory and Institutions at the University of Durham is no stranger to India. As a teacher and Research Scholar, his experience as a constitutional adviser on Lord Mountbatten's staff during the transfer of power in 1947 would have equipped him to write about our Constitution and Parliament with more than ordinary academic exposition. For writing this book, however, he came out to India again in 1953-54. The result is an account of the first Parliament of independent India and selected portions of the Constitution, of special relevance to its working, which is at once more lifelike and systematic and more comprehensive in its coverage than any other produced hitherto.

Professor Morris-Jones has executed his task with uncommon skill. He is in no hurry to take the reader to Parliament House to explain to him the working of Parliament, before preparing for him, very ably, an environmental setting towards an understanding of some of the striking and puzzling paradoxes of Indian polity and the forces shaping it. This should be particularly valuable for readers who are either not familiar with Indian conditions or find them too diverse and bewildering. Such readers are enabled to recognize the reality of a firm and profound core of unity in the emergence of a powerfully unified federal Constitution, the continuity of an effective national administrative service and of political experience with its emphasis on national unity embodied in the principal political party which has remained in undisputed power since independence at the Centre and in most States. The author is, however, in no mood to take for granted the victory of the forces of unity over those of diversity operating in the shape of strong regional and linguistic loyalties, dangerous 'icebergs' of caste and community threatening national consciousness and sharp distinctions between the rural and urban classes, the rich and poor, educated and illiterate, the sophisticated westernised Indians and others, master and servant, and so on. Wisely he does not venture to prophesy the outcome in the long period of the struggle between the two forces. Indian readers will doubtless be impressed by the author's deep insight into an objective understanding of some of India's fundamental problems. While some of them may not fully agree with him that in the matter of the reorganisation of states, "the Government has been quite unable to resist pressures of regional sentiment," many will share with him his sense of wonder that coherent national policies have been able to emerge.

This local setting is further enriched by a commendable historical perspective with which the author traces the various stages of constitutional and political development in India from about the middle of the 19th century, their significance and the quality of the attitudes which the wise and the vocal among the British and the Indians had to the future destiny of India from time to time, to establish the thesis that parliamentary institutions are not wholly alien to India and that the Parliament of 1952 was the latest of a long line and grounded in modern Indian experience.

The only weakness of this part lies in that it has attempted to cover too much in too little space. For example, on the question of the relations between the Congress and other political parties, the writer has dealt with an important and controversial aspect of pre-independence politics in a rather summary fashion. To a reader not well acquainted with the

conflict of principles involved in such relations, the selection of contemporary opinion on the subject brought together is liable to yield misleading conclusions.

But this is a minor flaw in an otherwise admirable narrative which preserves its vigour of judgment and sharpness of observation in dealing with the actual working of Parliament. In its attention to detail chapters III to VII with their 23 tables and 3 of the 5 appendices qualify the book even as a work of reference. It is, however, not a guide to parliamentary procedure. The major part of the treatise naturally deals with Lok Sabha (House of the People). The author finds Rajya Sabha (Council of States) to be a replica of the lower house, without an adequate and distinct role of its own. Beyond frequent references to certain state assemblies, the scope of the book excludes also an examination of parliamentary institutions at the state level. Even so, this is a book which should be read more than once by all members of Parliament and state legislatures. With its extensive footnotes and documentation, it is by no means light reading in many parts but it is nevertheless refreshing for its originality of approach and stimulating for its scholarship. In the sections on Behaviour and Attitudes, Privilege, Relations between the two Houses, Financial Committees and appendix II, some members of the present Parliament will be able to recognise themselves. Legislators in general may even be persuaded to accept with grace the plea that the education of the new masters of India is a national problem.

From his painstaking research Professor Morris-Jones reaches the conclusion that the evidence on the working of the first Parliament brought together by him justifies and supports the confident language of the *Manchester Guardian* of the 5th June 1954 (quoted by himself) that : "All that is happening in Asia throws a spotlight on the Parliament in Delhi as the one institution of the kind which is working in an exemplary way.....Pericles said that Athens was the school of Hellas. Mr. Nehru without boasting may say that Delhi is the School of Asia." This verdict will certainly gladden the hearts of those interested in the success of democracy in India, for the story told by him is, in his own words "unmistakably a story of success". The least that the most cautious Indian might say to this is 'touch wood'. A Cassandra like reader may, however, demand a different kind of evidence—perhaps trial of war, revolution or at least one change of party in power—to establish that the existence of Parliament in India guarantees its continuance. He may even join issue with the learned Professor that having actually referred to this point (p.316) he has based his judgment of the future more on faith than logic. But it must be said to the credit of the author that despite his being English, he has neither exaggerated failures which a critic of Indian independence may be tempted to do, nor unduly emphasised the good points out of friendliness. He has maintained a commendable balance in keeping with the traditions of his profession. Should he read this review he will find in it the reaction of at least one Indian reader to the note with which he has closed his narrative.

—N. K. Bhojwani

**THE PATTERN OF MANAGEMENT;** By **LYNDALL F. URWICK.**  
London, Sir Isaac Pitman & Sons, Ltd., 1956, vii, 100p. 20/-.

Since 1878, when Frederick Winslow Taylor abandoned custom and tradition in dealing with problems of social adaptability to an economy

based on power-driven machinery and introduced scientific tools of definition, analysis, measurement, experiment and proof, 'a new body of knowledge has emerged from the superstitions and the folklore of earlier ages to take its place in the social heritage'. This new knowledge, usually described as 'Management Science' or 'Scientific Management' is concerned with 'leadership, co-ordination and long-range objectives' of human activity in society and goes far beyond inefficiencies in the use of materials and manpower in production processes. The increasing scale and complexity of central and state, and even of local, governments, give rise to administrative problems which call for the same principles and techniques as are sought by major business organisations. Leadership in government is a process comparable with business management.

In the long succession of thinkers—engineers, sociologists, psychologists, economists and many others—who have contributed to the philosophy of Management, Lyndall F. Urwick occupies an important place. He has focussed attention on the vital aspect of Management, viz. Motivating and Energizing the group as a group, and has given concreteness to the concepts of 'communication' 'morale', 'leadership' and 'participation'. It is this that has made Management not merely an engineering approach but an art that deals primarily with human beings—men and women, each of whom is "the centre of a process of living".

In a series of five lectures on the Pattern of Management delivered by Col. Urwick under the auspices of the Merrill Foundation for the Advancement of Financial Knowledge, at the School of Business Administration, University of Minnesota, and published in the form of the book under review, we find a new presentation of Management knowledge, dividing the whole field into four parts, viz : (a) the study of the task; (b) adjusting the individual to the task; (c) arranging and correlating the tasks; and (d) motivating and integrating groups. He visualizes these four aspects as forming a four-sided pyramid, with all the four sides combining into pairs to form working hypothesis. The first and second sides taken together constitute 'the unitary or cellular aspect of Management'; and the first and third sides 'the mechanics of Management'. The third and fourth sides paired together form the 'group or organic aspect of Management'; and the second and fourth 'the dynamics of Management'. Within this simple framework, he has comprehended the essential theory of Management.

Urwick underlines the importance of Management in an adaptive society and points out that the 'core' of this new knowledge lies in 'a whole-hearted attempt to deal with every question arising in the conduct of business, or indeed any human system of co-operation, in the temper and spirit of the scientist and by using the tools of definition, analysis, measurement, experiment and proof'. The fundamental quality of this scientific outlook, he emphasises, is "Integrity". "What is important about the scientific outlook is not that those trained in it attain complete accuracy, but that, if they are well trained in it, they do not attain as complete an objectivity as is possible to man who is, by definition, imperfect. They seek the truth, whatever the consequences. They have that intellectual integrity, that respect for facts, which is the hallmark of the mind conditioned to do scientific work of the first order".

To give effect to policies determined by politicians is one of the major tasks of government and government itself is the 'oldest and most comprehensive form of social organization'. The process of administration in

government is, therefore, closely comparable with business management. In a lucid and deep analysis of the pattern of government, Urwick explains the functions of operating and supervisory authority and their close similarity to those in a business enterprise. Higher standards of performance in the process of government are essential for the survival of democracy. That is only possible by a fuller application of scientific management and by clearly distinguishing between the executive and political processes. The chapters on Government and Management and Government and Leadership are a very useful contribution to an understanding of this problem.

One word more. A casual reader of the book is likely to get the superficial impression that it contains a general commentary on the principles of scientific management and their application in business and government. But the book in reality contains much more—it is throughout interspersed with many valuable ideas and observations. Take, for instance, the author's following remarks on 'co-ordination' and 'friction between senior executives' :—

"In any sizable organization there is bound to be a mass of detailed regulation affecting various grades of personnel, accommodation, training, research—in fact almost any specialized function. If every senior executive is to be "persuaded" in advance about every change in such regulations which may affect any of his subordinates, it seems to me that the high command of business enterprises is going to get all snarled up in pieces of paper, incurably desk-bound, or riding the roundabout of committees."

"I believe that all this demand for "persuasion" is a symptom, not of progress in human relations, but of lack of progress in organization. There has been too much specialization unaccompanied by any corresponding development in co-ordination. Enterprises are suffering from this lack of organizational balance, particularly at the top. As a consequence, friction develops between senior executives who try to escape from it by demanding more consultation in advance. *What they are really seeking is closer co-ordination, largely improved communication and leadership. But they confuse the symptoms of their trouble—inadequate attention to leadership and consequent friction with colleagues, with the imagined cure—more consultation, and therefore less time for leaders to lead and more opportunities for argument* (italics by the reviewer). Apostles of persuasion are usually opposed to improved machinery for co-ordination. They do not recognize, that co-ordination is itself a function, which calls for specific provision in the organization particularly time and effort devoted to anticipating and avoiding friction in matters of detail. Consequently chiefs tend to become overwhelmed with an increasing burden of consultation and are compelled to leave subordinates to co-ordinate themselves. When this occurs co-ordination just does not happen. In its absence friction develops".

How far are the above observations equally true in the context of the Indian Administration today?—let our administrators and planners pause for a moment and think for themselves. The book deserves a careful reading and re-reading, no matter if Scientific Management "is not exact knowledge. But no more is our knowledge of politics, of war, or of economics."

—L. S. Chandrakant

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Edited and Published by Shri S. B. Bapat for the Indian Institute of Public Administration, New Delhi.

Printed at the New India Press, Connaught Circus, New Delhi.

